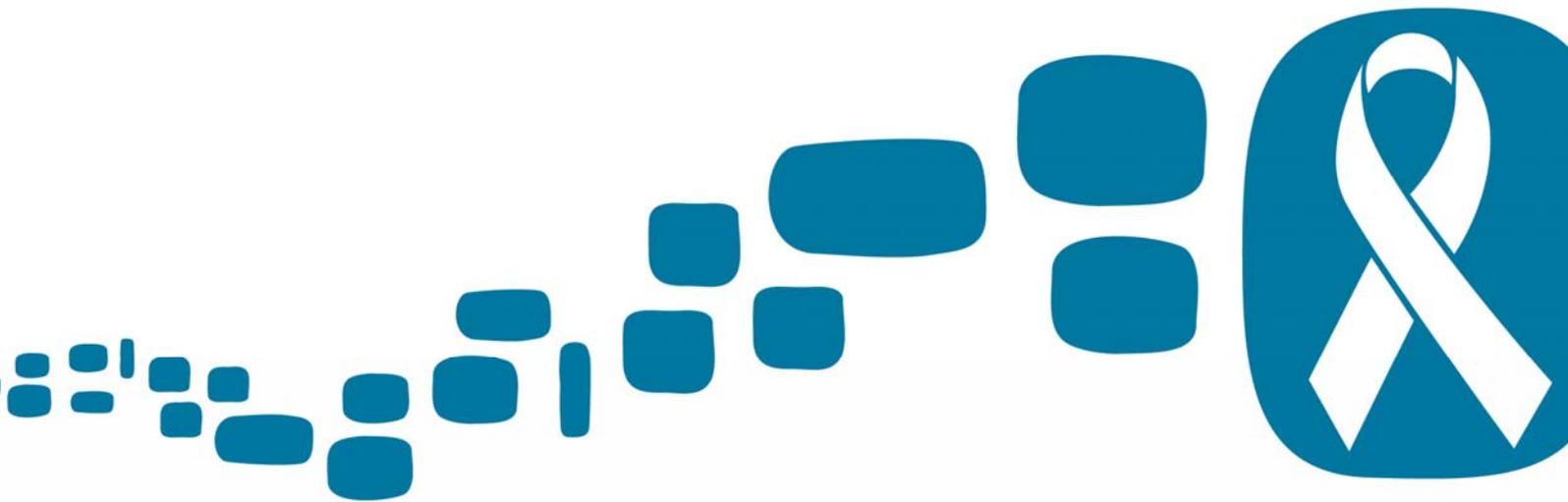




Cass Business School
CITY UNIVERSITY LONDON

CAF Charities Aid
Foundation

The Art of Refusal: The Experiences of Grant Makers and Grant Seekers



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2011

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Acknowledgements

We wish to acknowledge with thanks the support for, and interest in, this research from our funder, the Charities Aid Foundation, and especially the advice and encouragement received from Abigail Hiscock our Advisory and Consulting Manager at Charities Aid Foundation. We are very grateful for the participation of infrastructure organisations, the Association of Charitable Foundations, The Small Charities Coalition and Voice4Change; also for that of the anonymous individual respondents in our programme of research. Finally, we are grateful also for the contributions and advice of former and current colleagues in both the Centre for Charity Effectiveness and the Centre for Charitable Giving and Philanthropy at Cass Business School.

The Authors

Jenny Harrow and Jon Fitzmaurice led the project throughout. Mariana Bogdanova contributed at the focus group stage of the research, and Tom McKenzie at the survey stage.

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Executive Summary

This research project explores the communications' experiences and practices of selected grant making and grant seeking organisations, at the point of grant refusal. It was funded by the Charities Aid Foundation, and undertaken through collaboration with the Association of Charitable Foundations (ACF).

The research context is the enhanced competition for funding in which many grant seeking organisations experience the disappointment of refusal; whilst grant makers also face multiple pressures, in responding to grant seekers' needs. This is an operating environment in which subsequent organisational learning appears demanding.

The aims of the research were to:

- Increase understanding of the communications demands, challenges and opportunities in giving, receiving and sharing news of grant refusal
- Identify opportunities for organisational learning in these situations, for grant makers and grant seekers
- Contribute to future practice improvement and development, by drawing on the reported experiences and practices of participating respondents.

The research focuses on private, formal grant makers (foundations and trusts); and their grant seeking organisational constituencies. It excludes study of public grant makers' grant refusal processes and those of individuals making personal gifts, direct businesses' grant making, and grant making by community foundations and by other operating and fundraising charities.

A staged research process began in 2008, and field research completed in 2009/2011. *The Art of Refusal: The Experiences of Grant Makers and Grant Seekers* sets out the full research process and findings, summarised below. *The Art of Grant Refusal: Promising Practice for Grant Makers and Grant Seekers*¹ presents the insights and practice possibilities and approaches, distilled from the grant seeker and grant maker respondents, as promising practice learning and action points.

¹ This is available from http://www.cass.city.ac.uk/__data/assets/pdf_file/0008/103679/PromisingPractice_Complete_Electronic.pdf

Three research questions led the study:

- How do grant makers and grant seekers characterise their communications experiences and practices, when grant refusal occurs?
- What kinds of learning, if any, are grant makers and grant seekers able to draw from these experiences and characterisations?
- What, if any, promising practices in grant refusal communications may be identified from grant makers' and grant seekers' perspectives on their grant refusal experiences?

Two focus group interviews with invited, and self-selecting grant makers belonging to ACF were organised; also two focus group interviews with grant seekers from the membership organisations, The Small Charities Coalition and Voice4Change. Additional interviews were conducted with selected grant makers and grant seekers, and with intermediaries (grant seeker adviser/consultants). Findings from these stages then informed electronic surveys with grant makers and grant seekers.

Qualitative data on grant makers' and grant seekers' experiences and perceptions of grant refusal was derived along with predominantly quantitative data, primarily on grant makers' refusal communications and procedures.

Findings from the focus group and individual interviews identified contrasting pressures facing refused grant seekers and refusing grant makers. Grant seekers were united in a search for in-depth and personalised feedback, with some looking to an increase in bluntness if necessary: "What we want above all is honesty but we don't get enough of it. We want to be told: 'this is where you have messed up'." At the same time they reported the emotional toll of refusal in organisations (for example where fundraisers were bearing the brunt of the organisational "bad news"), widespread variations in the decision-giving "from warm to cold", and uncertainty about sharing widely their refusal news.

Specific findings from grant seekers included:

- A high value accorded to preliminary contact opportunities with grant makers

- A sense that where barriers to preliminary contact existed, these created a sense of “insider” and “outsider organisations”; alongside some wariness in early approaches (“I never think to ring, I tend to think that they would be too busy”)
- A continuum of refusal experience, from standardised to personalised, from fast to slow or “no response”
- A continuing search for timely and tailored feedback on the refusal rationales and bid contents against a background of generally receiving minimal information and feedback
- Problems in getting and acting on feedback in organisations because of varying organisational work timescales
- The immense organisational value of acknowledgement by grant makers of the effort being made in applications
- Recognition of the possibility of emotional damage caused by refusal in organisations, including negative impacts on subsequent relations with collaboration partners and inter-sectoral working generally; whilst for some, not providing pretexts for organisations to “throw fits”
- Some understanding of the “no win” situation faced by those grant makers where they were receiving poor quality applications
- Generally, opposition to “going public” or seeking external publicity on grant refusal
- Awareness of the likely capacity – developing implications of concerted, tailored feedback
- Value of feedback for successful applications also: “We would also like feedback on successful applications, since it is good to know why you have succeeded, too”.

Specific findings from the grant makers included:

- Acknowledgement of the wide range of refusal communication approaches, necessarily tailored to the resources, and operating roles of the individual grant maker
- Identification of a range of helpful practices, whilst not subscribing to a single “model approach”, with strategies reflecting grant makers’ individual philosophies or goals (e.g. “front loading” with early advice and support only)

- Stress placed on the complexity of conveying the grant refusal decision – “Around those borderline decisions, where there has been no mechanistic rejection, one is reminded that grant making is an art and not a science”
- Emphasising the pressures as well as advantages of preliminary contact: “The crux of what is involved in making these decisions is equity”
- Recognition of the importance of providing coherent reasons for refusal, with clarity and a match of effort in feedback (to match the effort from and demands placed on the grant seeker) critical
- Variation in views on grant makers’ roles in and responsibilities for supporting organisational learning for all grant seekers: “It’s good to try to help people improve their application, but we can’t address the needs of the whole organisation”
- Challenges for refusal communication with some formerly funded organisations; and in providing relevant feedback for major multi-organisation bids: “What is a challenge for us in giving any sort of useful feedback is cases of larger and joint bids (i.e. several organisations bidding together) – how is that learning disentangled for *all* the organisations”
- Perception that whilst some grant seekers have not yet fully grasped the high competitiveness of their environment, others’ learning from feedback has been marked in subsequent bids
- Civility experienced widely from refused grant seekers together with negligible adverse public coverage of refusals, though some development of policies on reputational risk issues arising from refusal
- Recognition that in current economic circumstances, donors are under scrutiny as well as those seeking funding
- Recognition that both grant makers and grant seekers can learn from grant refusal, although “(we) never get the breathing space to step back and say what did all parties learn from assessing and being assessed in a particular round of grant bids – (it would be) a brave facilitator to put us all in the same room”.

The electronic web based survey

This provided quantitative data on grant makers’ refusal policies and practices. It achieved a response rate of almost 30%, based on the ACF membership of three

hundred organisations. Just over half operated at the national level and a quarter internationally. Over half of the sample reported annual grant expenditure of more than £500,000. There were eleven cases of grants totalling over £5million; thus one-eighth of the respondents came from large grant makers. The median average typical grant awarded was small (up to £10,000) but four respondents indicated the typical grant to be worth over £100,000.

The largest single group of organisations, thirty-seven, had an open application process, using general criteria; closely followed by twenty-seven organisations operating a mixture of open applications, with general and specific criteria. Eighteen organisations made grants via targeted invitations, using specified programme criteria. Grant making solely through solicited applicants was undertaken by five organisations. The overwhelming majority (seventy-four organisations) employed between one and five salaried staff managing grant making programmes.

Nearly all of them awarded grants to registered charities, where over half also awarded grants to other not-for-profit organisations and roughly a quarter of respondents reported that individuals also receive their grants. Since many grant makers may be using charity registration as a *de facto* criterion of eligibility or even for due diligence purposes, the openness to other types of applicants is likely to further complicate decision and communication processes.

Most grant makers reported offering some form of pre-application support to their applicants, the most common forms being F.A.Q.s by internet/email and verbal (telephone) guidance on the direction of applications. Over 40% organised site visits from staff or volunteers. Only 9% (eight out of eighty-eight organisations) reported that they provided “no support beyond access to standard written guidance”. Reasons for this included the “too costly” case, the lack of people and the importance of even-handedness among applicants.

A majority of respondents (seventy-five organisations) were supportive of its role in avoiding ineligibility problems, and in helping ensure access to the kinds of organisations which the funding was most intended. Responses were more varied in their assessment of its link to raising the quality of applications as with this being seen only as of “value in some cases” by twenty-one organisations.

Grant makers recognised the feedback imperative, but some struggled to provide any but the most basic response or had had to limit this because of the pressure on staff in working with grantees. Fourteen of the eighty-eight organisations provided no feedback beyond the refusal itself. Fifty-one organisations provided feedback which they recognised as limited and seven organisations provided enhanced feedback with specific reasons for the refusal and an opportunity for further contact.

Organisations providing enhanced feedback reported their rationale as helping improve applicants' learning. This was closely followed by that of their own managerial needs, ensuring clarification within the grant maker for the reasons for refusal. A lesser number of organisations in this group recognised the implicit fairness of providing enhanced feedback in recognition of the effort they had required from the grant seeker.

Whilst those giving enhanced feedback held strongly that, generally, such feedback does lead to improved applications (twenty-two out of twenty-three organisations), only four of the twenty-two assessed that this had led over half of the applicants to make improved applications. This may be drawing attention to the extent to which some grant seekers are relatively transitory in the organisations for which they are seeking funds (necessarily so, if funding dries up.) Thus time, circumstances and a change of personnel mean that they may simply not be around for the next round of applications; and any learning may then be lost.

A minority of respondents (sixteen out of eighty-eight) reported maintaining contact with grant applicants whose applications had been rejected. Half of those maintaining contact offered support to promising applicants for making an improved application at a later stage (Figure 25). A smaller number of organisations (five out of sixteen) identified their practice of holding open briefing events for all would-be applicants.

A strong sense of sustaining grant making work levels and practices during the economic downturn was reported. Where effects have been felt, these concerned

the amount of money to spend on grants (thirty-five organisations) and a revision or tightening of grant making criteria (twenty organisations).

Whilst more respondents reported increases (thirty-five) than decreases in numbers of grant applications received (sixteen) still more (thirty-seven) reported no change in the quantity of applications.

Conclusions

Conclusions are drawn regarding the issue, practice and experience of grant refusal, in a period of constrained grant making as well as constrained grant seeking, with reflections on its impact on the wider knowledge in the voluntary and community sector generally, and its place in the communications strategies and tactics of organisations right across this sector.

The limitations of the research are recognised; findings are seen as usefully illustrative (rather than fully representative) of contrasting experiences, of different organisational approaches to transmitting and receiving the refusal decision.

Many respondents during the research process highlighted what were for them preferred and promising practices in communicating and managing grant refusal. These were sometimes their own approaches and sometimes those which they had observed and welcomed.

These insights and examples and possibilities are distilled and presented below in *The Art of Refusal: Promising Practice for Grant Makers and Grant Seekers* of this report, as promising practice learning and action points.

1. Introduction: The Nature and Direction of the Study

This research project explores the communications experiences and practices of selected grant making and grant seeking organisations, at the point of grant refusal.

Its context is the frustration and disappointment being experienced by many grant seekers in a period of enhanced competition for funding, alongside the multiple pressures facing grant makers, in responding to grant seekers' needs and in meeting their range of obligations. The focus of the research is the decision-giving and decision-receiving aspects of grant refusal, as perceived and exercised by grant makers and grant seekers. Its overall purpose is to support learning and improvement in policy and practice among grant makers and grant seekers in this un-researched area.

The project was funded by the Charities Aid Foundation (CAF), through the CAF Collaborative Research Fund and undertaken through collaboration with the Association of Charitable Foundations.

The aims of the research were to:

- Increase understanding of the communications demands, challenges and opportunities in giving, receiving and sharing news of grant refusal
- Identify opportunities for organisational learning in these situations, for grant makers and grant seekers
- Contribute to future practice improvement and development, by drawing on the reported experiences and practices of participating respondents.

The research attention is on those private and formal grant makers (foundations and trusts) and their grant seeking organisational constituencies. It excludes consideration of public grant makers' grant refusal processes, also those of individuals making personal gifts, direct businesses' grant making, grant making by community foundations and by other operating and fundraising charities.

A wide range of questions arose concerning the nature, style, means and content of grant refusal; the extent and forms of feedback; and the perceptions of both parties

in grant refusal communication, their obligations, limitations and learning. These were brought together in three overarching questions:

- How do grant makers and grant seekers characterize their communications experiences and practices, when grant refusal occurs?
- What kinds of learning, if any, are grant makers and grant seekers able to draw from these experiences and characterisations?
- What, if any, promising practices in grant refusal communications may be identified from grant makers' and grant seekers' perspectives on their grant-refusal experiences?

This project addresses these questions through a staged research process. In response to the complex and minimally-researched topic, it is research questions rather than research hypothesis based, and offers descriptive research findings. Both qualitative and quantitative research has been undertaken.

Following the initial genesis of the research interest, examining grant makers' perceptions of grant seekers' responses to failed grant applications and implications for grant maker practice (*From Grants to Grudges*, 2006) the main stages of the research have been:

- Scoping studies, ongoing literature review, confirming research design (2008)
- Focus group interview programme with invited and self-selecting grant makers via membership body (Association of Charitable Foundations) (2009)
- Face-to-face interview programmes with purposively-selected individual grant makers and grant seekers, and with intermediaries (grant seeker advisers) (2009/2010)
- Focus group interview programme with invited and self-selecting grant seekers via membership bodies (Small Charities Coalition, Voice4Change) (2010)
- Electronic survey of grant makers (via ACF) and grant seekers (via selected membership organisations) (2010).

This report presents the findings from these stages and draws together opportunities for learning. A separate report, *The Art of Refusal: Promising Practice for Grant Makers and Grant Seekers*, looks at what promising practices in grant refusal

communications can be identified from both grant makers' and grant seekers' perspectives on their experiences.

2. The Research Context and Development of the Research Questions

As access to grant funding for charities and voluntary organisations becomes more and more pressured, the nature and quality of communications between grant seekers and grant makers becomes increasingly critical. There is growing focus on grant maker relations and communications with successful grantees, especially where grant making is cast as an investment rather than a gift. In contrast, minimal research and practice attention has been given to grant maker and grant seeker communications exchanges and experiences at the point of grant refusal. Yet delivering and receiving negative information in organisations in appropriate, timely, courteous and accurate fashion may be important for all parties' performance improvement, organisational learning and external reputation.

Despite this, the processes and events associated with communicating grant refusal decisions are challenging for grant makers and grant seekers, increasingly so during economic downturn and uncertainty. Organisations seeking funding, both independently and collaboratively, may find expectations dashed, other organisational relationships attenuated, and other developments in jeopardy; whilst requiring extensive and supportive feedback. Meanwhile, funding organisations, facing falling income, may need to redirect their more limited funds, lower expectations of what they might provide, and, critically, assess and limit the resources which they have for responding to unsuccessful grant applicants, *via á vis* their chosen grantees. In practice it can be hard to characterise these experiences and practices as learning opportunities but it may also be argued that a research study on grant refusal must do more than simply identifying improved ways of "saying no, nicely".

The period during which this study has been undertaken has been marked by the pressures of economic downturn, growth in charity numbers and increased pressure on limited charity resources; so that inter-organisational competition by grant seekers for dwindling resources appears a constant feature. Although the substitution of contracts for grants by public funders in their relations with the voluntary sector is

now a strongly-established trend (Johnson *et al*, 1998; Young, 2000), the case for funding through grants *per se* continues to be made (for example, Wittenburg, 2007). Trust, foundation and charity grant making is seen as “crucial to a thriving civil society”, with trusts and foundations “particularly uniquely placed to support innovative or risky ideas and able to fund areas of the sector that lack popular or political support” (ACF and CAF, 2007, 3). Grant making is studied as complex, largely professionally-led and focussed on “effectiveness” (Harris *et al*, 2006) and capable of being understood as a form of partnership working between funders and the funded (Marsh *et al*, 2008).

Although non-governmental organisation grant making remains smaller than that from public organisation sources, the latter is however falling and likely to continue to do so. The National Council for Voluntary Organisation’s *Civil Society Almanac 2010* reports the voluntary sector’s overall income for 2007/2008 as £35.5billion (Clark *et al*, 2010). This includes £3.7billion in grants from “statutory sources”, £1.7billion in grants from within the voluntary sector and £0.5billion in funding (presumed grants) from the National Lottery. Commentary from the National Association for Voluntary and Community Action in April 2010 emphasised that the public grant making figure was “a drop of £400million from the previous year, meaning grant funding is almost £1billion less in real terms than it was in 2000” (NAVCA, 2010).

With private grant makers therefore a continually increasing focus for grant seekers, both within national and local “ecologies of funding” (Alcock *et al* 1999), the recessionary impacts on their endowments and disbursements are complex and differentiated. For example, London Funders’ member responses to its *Recession Survey* in March-April 2010 demonstrated the extent of these differences: “while some funders have responded by making smaller and fewer grants, one respondent is looking at larger and longer ones... another is shifting from capital and seed corn grants and seeing how it can shore up core services. One is... funding topics... identified as a problem as a result of the recession, whilst another is reinforcing its own funding priorities (though also considering offering emergency funding).” (London Funders, 2010, 4)

As grant makers also look to making their own resources work harder for them, grant seekers face keeping abreast of funders' priorities. The scenario of over a third of almost a million grant applications to trusts and foundations being rejected for ineligibility, and the existence of an "ineligibility cycle" were key findings of research by the Directory for Social Change with "a representative sample of 377 trusts" (DCS, 2010). This emphasised the "wastefulness" to grant seekers and grant makers alike - "fewer ineligible applications could mean quicker responses to the eligible ones or even more resources to allocate as grants" (*ibid*, 2). Its recommendations included clarity of information on what funders do and do not want, "preferably online", "recognising the benefits of constructive feedback at all points in the application process"; and ensuring that applicants "do their research", ask eligibility questions and do not send "blanket appeals (which) mean that funders have less time to give proper bids the consideration they deserve" (*ibid*, 4).

This is also the context in which implicit and explicit criticism of what has become styled "grant dependency" has arisen, as if grant seekers were somehow guilty of seeking an easy ride by their actions, and grants as an income source have not been fully earned. This is a view perhaps shared by a minority of organisations refused funding, when or if they perceive that others have apparently gained grants without apparent difficulty or effort. Macmillan's valuable scrutiny of this emergent phrase, or voluntary sector "condition", emphasised in 2007 that "to date no references have been found which provide research evidence of the existence of 'grant dependency'" (Macmillan 2007).

By March 2010, the Charity Commission's fourth economic survey of charities found that charities overall were identifying income from grant making trusts and foundations as representing 16% of their current income sources, fourth after fundraising from the public (45%), investment income (38%) and memberships fees (30%). However, this placed such grant sources marginally above the percentage of income being derived from public sector grants and contracts (15%) (Charity Commission, 2010). This returns us to the possibility of grant funding being seen by grant seekers as *the* alternative to ever-shrinking public funding sources. Thus grant refusal for many organisations becomes more problematic than it is currently; and a further central experience of the "grants market-place" (Ashley and Faulk, 2010).

Within this changing research context, the overarching research questions for this project are now discussed. The “why question” – why does grant refusal matter to grant makers and grant seekers – is held to be demonstrated, through the special value of independently-led grant funding, through its relative and growing (even replacement) importance in voluntary organisations’ funding streams, through the opportunities offered generally for positive learning from negative situations and through the continuing interest in organisation responsiveness, accountabilities and reputation-building among grant makers and grant seekers like.

In initial work prior to this research, on the “grants to grudges” theme (Bradburn and Harrow, 2006) explored the nature and expressions of inter-organisational discord at the point of grant refusal. Its research questions centred on how grant makers coped with expressions of anger, public and private, from refused grant seekers; what effects occurred when grant makers were either remote or unapproachable to those organisations they refused. Further, the ways in which grant makers typified their communications in these situations, with particular focus on the extent to which supportive stances were considered to help those unable to access grant income, or were ignored by them. Academic feedback however suggested that this approach was as unnecessarily limiting; not least by concentrating on the expressed anger of the “refuseds”, and failing to address the situations of failed grant seeking organisations which, far from expressing public anger, and direct or implied criticism of fellow (funded) organisations, simply suffered in silence, in the face of grant refusal and minimal feedback. The research questions were then widened, to incorporate the perspectives of both grant makers and grant seekers and to include the potential spectrum of grant maker and grant seeker communications behaviour. They were as follows:

- How do grant makers variously communicate the “bad news” and with what variations and what rationales among grant makers of different types and fields?
- Who communicates with whom and why?
- What levels and forms of feedback on grant refusal may be given; and with what results?
- To what extent do resources or privacy considerations drive interaction with refused grant seekers?

- How do grant makers assess the reactions to their communications; how if at all do they change and share models or methods of refusal?
- What accountability and reputation issues, if any, are raised for grant makers by grant refusal?
- How do grant seekers report experiences of grant refusal; and the effects of communication forms on their organisations' momentum and priorities?
- What kinds of feedback are sought and received; and how acted upon?
- When and how is the organisational "bad news" shared internally (or externally and publicly) and with what results?
- To what extent are grant maker and grant seeker expectations of each other's communications practices and behaviours being met and capable of improvement and change?
- How, if at all, has economic downturn reinforced or changed grant maker - grant seeker communications practices when grant refusal occurs?

From here, the research questions for the study were drawn together:

- How do grant makers and grant seekers characterize their communications experiences and practices, when grant refusal occurs?
- What kinds of learning, if any, are grant makers and grant seekers able to draw from these experiences and characterisations?
- What if any promising practices in grant refusal communications may be identified from grant makers' and grant seekers' perspectives on their grant-refusal experiences?

The following section explores the relevant literatures underpinning the study.

3. The Developing Literatures on Inter-Organisational Communication between Grant Makers and Seekers and on Grant Refusal: Academic and Practice-Led Work

Literature on grant maker - grant seeker interactions and communications generally, and on the grant refusal process, event and organisational aftermath is very limited; confirming grant refusal as an under-researched phenomenon. Part of this may stem from the general difficulties in researching disappointment. Indirectly, the limited work on organisational failure in this sector is capturing grant refusal or grant seeking failure, but only as one part of a wider frame of reference, for example Hager (2001), on “explaining the demise of non profit organisations”. (See also Hager, 2001, examining the financial vulnerability of arts organisations; and Block’s inclusion of “fundphobia” in his work on “why non profits fail”, Block, 2004).

In some of the literature, the emphasis includes the extent to which perception was widespread in a vulnerable organisation that there was some kind of prior ownership of an impending grant, and that the organisation was thereby entitled to receive it. Thus Ferrnandez (2008, 132), exploring reasons for demise in Spanish associational bodies reports this sense of possession in organisations hitherto funded regularly; with one organisation in Madrid reporting of new senior civil servants: “they took away our grant and they gave it to another association.” That tensions exist in the relationships between grant makers and grantees is increasingly recognised; for example in the former’s introduction of new performance measures (Benjamin, 2010). However a specific focus on the grant seekers being turned down does not appear.

Again, the decision in foundations to re-direct their funding interests, or move away from previous thematic or responsive interests, will affect some grant seekers adversely and some positively. Thus Isaacs and Knickman, 2005, reviewing the practice of one (U.S.) foundation over time which was moving into new fields of interest, describes the foundation as “shaping fields as they were emerging, by adopting a wide-ranging ‘bear hug’ approach, and by staying the course.” The implications for those grant seekers left outside this grant maker’s “embrace” are not

examined. Moreover, the governance implications of foundations themselves under pressure, as resources become more limited, and decision making and decision giving become potentially more fraught, is minimally examined. A significant exception is the Bertelsmann Foundation report (Backer *et al* 2005) which advocated the drawing in of community stakeholders to decision making, where decisions were problematic. This long report argued - before the economic pressures of the latter part of the decade - for such a widening, in the face of “the lost of philanthropic assets”, since “when foundations cut their giving because their portfolios are diminished, emotional reactions among grantees and communities abound” (*ibid*, 5).

Similarly, scholarship on organisation communications and interrelations in the voluntary and community or non profit sector is not marked. Unsurprisingly, the general literature on conveying “bad news” concentrates very largely on health professionals’ communication of poor prognosis to patients (for example, Dosanjh *et al*, 2001, Fallowfield and Jenkins, 2004). However, from a wider perspective, contributors to the Harvard Negotiation Project, Stone, Patten and Heen explore the complexities of “difficult conversations” and track the means of moving a “difficult conversation to a learning conversation” (Stone *et al*, 1999).

A notable exception in the lack of examination of communications in non profits is the work of Lewis *et al* (Lewis *et al*, 2001, Lewis *et al*, 2003, Lewis, 2005). Lewis *et al* (2001), explores “communicating change to non profit stakeholders” and note that non profit managers generally “get very inconsistent advice about how best to communicate during planned change efforts” (*ibid*, 10). For example, this may vary from “the more everybody knows the better”, to the availability of summary information only, thus “keeping external stakeholders from having enough knowledge to influence how change activities are carried out” (*ibid*, 11).

Taking the widest possible interpretation of “communication by implementers during planned change”, this interview based research, among selected non profits in the fields of philanthropy, mutual benefit and advocacy, in the United States, identifies “six models of stakeholder change communication” (*ibid*, 20). These are shown in the figure below.

Table 1, six models of stakeholder change communication”, adapted from Lewis et al, 2001, 27

- *“Equal dissemination”* - an ongoing task of communicating early, often and equally, on “what is new in the organisation and what changes are coming”, so “making organisations feel more connected”.
- *Equal participation* – involving two-way communication, both dissemination and soliciting input, with consensus building the key and goal; notwithstanding that the process of soliciting input may be “tedious...frustrating...and risky”.
- *Quid pro quo* – where something of value is exchanged for the communications access being granted, with greater communications attention paid to those who have something the communications need or desire. This approach concentrates time and energy on the stakeholders who are crucial to the organisation’s success; with the downside that implementers run the risk of angering those who feel left out of the process.
- *Need to know* – maintaining a selective communications posture, partly an efficiency motivation, partly to avoid potential objections and partly to avoid over burdening stakeholders with information they do not need.
- *Marketing* – reflecting a selective communications philosophy, which focuses on constructing messages specific to individuals or to stakeholder groups, and requires “homework” in analysing the audiences thoroughly. Here, the outcomes are customised messages; using individualised communications.
- *Reactionary* – the least planned approach, where implementers have not had the time to consider whether generalised or customised communications would be the more beneficial; communications occurs as best it can, whenever it seems prudent to do so. (Lewis *et al* note that this approach is “likely to be under-represented in our data, due to interviewees’ reluctance to admit it as their approach.”)

Lewis *et al* go on to develop a predictive model of the use of this communications model, in accordance with the implementing organisation’s need for “communications efficiency” (“the accomplishment of a communicative task with a minimum expenditure of time, effort and resources”) and for “consensus building” (“the effort put forth to achieve commitment to a course of action implied by a joint decision”) (*ibid*, 28-29). This appears as follows, as “Predictions of Implementation Communications Model use”:

High need for communication efficiency	Need to Know model	Qui pro quo and Marketing models
Low need for communication efficiency	Equal dissemination model	Equal participation and Marketing models
	Low need for consensus building	High need for consensus building

The identification of this range of communications models has been developed in organisational contexts which appear far wider than the grant refusal process and grant maker interactions with refused applicants. Nevertheless, it offers a useful focus for reflecting on grant refusal approaches; especially, as Lewis subsequently

argues, inter-organisation communications among non profits is a factor in building “civil society’s social capital” (Lewis, 2005, 246).

Implicit also in much general communications literature is the importance of professionalisation; (for example, Hwang and Powell, 2009). Yet in relation to foundations, Stauber (2010) has recently challenged the notion of foundation grant making work as a profession; while Asibey *et al* (2009), reporting survey research on communications in foundations, found that “While most practitioners agree that evaluating communications is necessary to make decisions about their communication strategy, more than half did not regularly do so” (*ibid*, 62). In an account of a seminar for funders on valuing and managing their knowledge, Leat (2004) examines the themes of professional activity and communications challenges implicitly. In arguing for the importance of grant making trusts “learning from experience”, she reviews the importance of the cultural contexts in which all aspects of a grant maker’s stock of knowledge may be drawn upon. Her themes of the importance of “knowledge in a competitive environment”, of “time and incentives” in aspects of knowledge management and of “soft knowledge”, (i.e. story telling and discussion among grant makers) are all pertinent to the grant refusal situation.

Within the practice, professionally led and “grey literatures”, some attention is focused on the emotional challenges of grant seeking, and the negative experiences which grant seekers may face at grant makers’ hands. In some it is difficult to separate the world weary and cynical from those which also aim to support and help the grant seeker, for example, Teitel’s (2007) *Thank You for Submitting Your Proposal... A foundation director reveals what happens next*. Here Teitel describes for a US audience the wide variation in which foundations respond to funding approaches – “from well-mannered to creatively egregious” – and, in respect of the forthcoming interactions, suggests that “your morale and sanity will be improved if you don’t expect fairness, justice or rationality, not to mention basic courtesy” (*ibid*, 21).

Elsewhere, recognition is given to the dilemmas facing both grant makers and grant seekers at the point of refusal: for example, a report for Australian grant makers on equity issues, the application of health equality audit approaches, and offering equity

in feedback, where there are fears that even “beginning to mention ‘areas for improvement’ may lead into opening a conversation with unsuccessful applicants which creates more work than is able to be managed” (Boyd, 2006). The Center for Effective Philanthropy in the US in 2006 also argued for the centrality of a audit approach – “an objective audit of existing communications resources” - to foundations’ communications with grantees; identifying the need for consistency of foundations’ communications resources, quality interactions and helpfulness of foundation procedures (*ibid*, 4.) In this study, relatively limited focus is given to refused applications. In a single page on “declines”, grant seeker emphasis is reported as being predominantly on “‘constructive’ feedback” (*op. cit*, 15). Here, the polar opposites of grant seeker experience are quoted. These range from the organisation “wishing” that they had had help with improving their application, an explanation as to why they had not been funded, constructive criticism, and being put in touch with other potential funders, to the organisation which commented that “despite not being funded, the experience is positive and nurturing” (*ibid*, 15).

There is minimal evidence that unsuccessful grant seekers would publicly express their anger as well as disappointment on rejection; although this was a limited finding from Bradburn and Harrow (2006), in relation to organisational response to grant making turn down from public bodies. This could be styled as “grant rage”, a phrase also used in early edition of the *Australian Best Practice Grant Making Quarterly* (2002). Here however, “grant rage” is used primarily in relation to the common obstacles to finding and applying for funding, rather than in falling at the final decision hurdle. The theme continues in this online journal, for example, by 2007, publishing on the particular barriers for disability organisations as grant seekers, addressed to grant makers and entitled *Grants Rage: what you do that drives disability organisations nuts* (Diamond, 2007).

The phrase has also been applied to public expressions of opinion, critical of grants awarded to activities or organisations which they do not support (e.g. Adam, in a Canadian context, 2003). Bradburn and Harrow (2008) also drew attention to examples of national media correspondence from “outraged” grant seekers of public (lottery) funding, for example a local Alzheimer’s Society “congratulations” to Manchester United gaining lottery funding for an activities club. In a letter to the

Times, the local branch secretary described their own experience: “we have in the past been unsuccessful in securing lottery funding; perhaps that is because we are a volunteer-led organisation trying to give support to 7,500 people in Stockport who have dementia”.

Approaching refusal from the grant makers’ perspective is marked in a discussion in the US Council on Foundations’ *News and Commentary*, on “Getting to No” (Norrell, 1997), where it is stressed that “saying no goes against the (philanthropic) instinct”, and that “even with plenty of practice, foundations have not become very good at it.” Emphasising its importance since “non profit leaders feel slighted” – especially where they receive no reply, or “most often, an untimely terse one” – this discussion suggests that there may be a “logical hierarchy of reply”, with “the more of a relationship the foundation has with the *grant seeker*, the less a rote reply is warranted” (*ibid*). Reflections on what constitutes a “good turn down” are made with three key elements. These are set out below:

Figure 2. Council on Foundations, 1997: a ‘good turn down’

“*The honest, painful truth.*” “The reality is that there’s a fair amount of dodging and ducking in declinations”, and thus a short response may make the grant seeker wonder if the proposal was in fact reviewed. Yet this discussion also acknowledges the implicit paradox, that “it can be dicey if a rejection letter goes into too much detail”, so that recipients receiving a highly “instructional” letter will often assume that with changes, they will be funded, when in reality this very unlikely.

“*A polite but firm tone.*” given that foundations, by saying no equivocally, lower the chance of the same unacceptable proposal coming back again and again.

“*Help with ‘so, now what’.*” Here again, contrasting foundation responses are also illustrated, with some foundations making a regular practice of helping to find other funders that would make an improved match to the application, whilst others “avoid this like the plague”, because of grant seekers’ tendency to follow up, with an assumption that the new foundation will act as funder.

In “Saying Yes/Saying No to Applicants”, the *Grantcraft Report* (2002) offers three grant makers’ discussions of decision-giving challenges as mini case studies; although none is offered is ‘best practice’, all of them suggest some possibilities for foundations wanting to improve their decision making .These describe, firstly, “giving the full story”, presenting the role of detailed (and by implication, tailored) “rationale statements” sent to all applicants, along with letters approving or declining their grant

proposal. Whilst acknowledging that these statements can be a “bit of a pain to prepare”, they are welcomed by programme officers, and grantees (whether “yes” or “no”). The rationale state is seen as “making grant making less mysterious. Even when you’re *getting* a grant (the process) can be mysterious” (*ibid*, 7). Secondly, the example of “face-to-face decision giving”, presented as the approach of “an experienced grant maker”, which “has concluded that there is only one satisfactory way to communicate a No: in a personal 20 minute conversation – which most grant makers feel they do not have time for.” In this case, all applicants seeking grants over \$20,000 are notified in person, in a “notification meeting”. Scheduled at 30 minute intervals – “in part to preclude the tendency of some to re-plead the application”, “face-to-face declines have their own dynamics, varying on the Board’s reasons; and many are reported as responding positively. The approach is described as “putting to the test those grant seekers who say they really want personal contact with and feedback from foundations” (*ibid*, 11).

The third example is “using the framework of a customer service approach to decision-giving”, presenting the example of a foundation, fostering a culture of customer service respect, “largely through careful recruiting of programme officers”, establishing targets for the time taken to deal with applications, and encouraging “quality – real respect in interactions”.

Throughout the *Grantcraft Report*, the dynamics of decision giving as played out “in a variety of foundations with different missions, cultures and institutional profiles” are explored, through “conversations” with “more than two dozen grant makers, both newcomers and veterans” (*ibid*,2). Key aspects include an understanding of how an institution’s culture shapes its decision giving, the importance of awareness of how culture affects communication, and “putting more guidance in the guidelines”. Further, in preparing for “difficult conversations”, the work of Stone *et al* (op.cit) is drawn on explicitly; distinguishing between such a conversation’s multiple content – “what happened”, the “feelings” conversation and the “identity” conversation.

Considerable optimism also exists within some of this practice literature, particularly about grant makers proactively and regularly making contact with grant seekers, to gauge a sense of their own standing and reputation. Glass (1999,85) for example,

argues that: “if grant makers and grant seekers can communicate more frequently and more frankly, the organisational changes that take place in foundations in the next century can be productive and rewarding”.

One trend from this proactive perspective is in the small but growing number of foundations which conduct and publish reviews of their grantees’ perceptions of them and their work. For example, the Rockefeller Brothers Foundation (2004) commissioned independent research to conduct confidential third-party surveys of current grantees and recent unsuccessful grant seekers. 68% of grantees and 38% of grant seekers completed detailed questionnaires on “virtually all aspects” of the Foundation’s work. Whilst receiving grantees rated the Foundation positively for their fairness of treatment and staff responsiveness, unsuccessful applicants rated the Foundation far less favourably. Further, they reported the Foundation as less approachable than it had been previously.

In June 2010, the Bill and Melinda Gates Foundation reported mixed evidence from a similar grantee perception survey, in which grantees “are confused by our decision making and grant making processes” and reported that the Foundation was “inconsistent in our communications, and often unresponsive” (Raikes, 2010). In a consulting report for California HealthCare Foundation (Putnam, 2010), as a follow-on from its own grantee perception survey, which identified “room for improvement” in communications between staff and grantees, recommendations include hiring programme officers who “value communications and transparency” and to “incorporate grantee communications and the results of *grant seeker* satisfaction surveys into staff performance appraisals” (*ibid*, 2).

In these latter studies, a limiting factor has been the difficulties of making contact with refused applicants and their own willingness to respond; in contrast to the successful (albeit by no means often “satisfied”) applicants. Where grant maker and grant seeker perceptions, responses and opinions are reported *verbatim*, these relate almost entirely to different and mostly non-contextualised events. Nor does the literature, academic or practice, contain any matching of grant maker and grant seeker perceptions and experiences to the same (refusal) event. The Aspen Institute’s research in the 1990s, seeking to discover “exemplary grant making” faced no difficulties in reaching respondents who were grant makers or successful

grantees; but reported a poor response rate in relation to unsuccessful grant seekers and *their* experiences of “best practices” in the grant making field (Shaw, 1997). It is this study which also draws attention to Mayer’s (1993) argument that staff in non profit organisations looking for funds rarely describe themselves as working in “grant seeking organisations”; and to his blunt point that: “grantseeking is a term invented by those with power, about those without power”.

These power relations, implicit and explicit, have been a key feature in consideration of the project’s research design, set out in the following section.

4. The Overall Research Design

The reticence to study and reflect on the decision-giving and decision-receiving experiences and practices surrounding grant refusal is understandable, given the demands facing researchers generally when examining sensitive research topics. In a grant refusal research agenda, these demands could range from assessing and mitigating harm to individual respondents to recognising and responding to organisational vulnerability and internal pressures, avoiding explicit or implicit organisational or individual criticism, or being seen to advocate for “the other side”. Lee (1995), for example, identifies as sensitive research issues those which include “privacy” and “stress”, both of which apply to many if not all grant refusals. McCosker *et al* (2001) highlight sub-cultural contrasts and varying groups’ willingness to fully share what they regard as painful experiences and Dickson-Swift *et al* (2007) explore researchers’ facing challenges of rapport development, use of researcher self-disclosure, and listening to untold stories. Awareness of the organisational sensitivity of the refusal event, as well as the view that this experience is predominantly an organisationally private affair, was therefore influential in identifying the overall research design to respond to the three overarching research questions, set out above.

The research proposal stage and the scoping stage of the work drew on prior thinking on this topic (Bradburn and Harrow 2006); where the research focus had been cast more narrowly, in terms of rejected grant seekers’ narratives of disappointment and anger, when faced with refusal; and a preliminary exploration of the extent to which the range of grant makers’ communications responses in delivering refusal news might or might not aid those organisations’ subsequent learning. For this initial work, it was hypothesised that grant makers’ responses to grant seekers’ anger would be on the following lines, as:

- **Absorbers** – just taking the criticism as part of the grant maker “life”
- **Absolvers** – explanatory, “there were so many good applications”, not their fault...

- **Agony aunts** – listening to all the implications of grant refusal, and sympathising
- **First aiders** – offering feedback for improvement and/or suggesting other sources)
- **Stone wallers** – barely acknowledging the failed grant seeker, declining to communicate further.

Respondents, employed in voluntary and community sector grant makers in the South West region of England were sought, using a snowballing technique to acquire respondents which were known to have been managing the demanding and difficult behaviour of failed grant seekers. Interviews confirmed that these grant makers saw these grant seekers as casting their refusers either as “just plain wrong” in their decision, or themselves as subject to some kind of relative deprivation or inequity, compared to other applicants. It was possible that grant seeking organisations could be divided into grant seeking sophisticates on the one hand and grant seeking naifs on the other. Although some regarded this split as a myth, other respondents felt that this polarisation had established a grant seeking underclass in which start-up grant seekers in rural locations featured prominently, being doubly disadvantaged in terms of information and knowledge. Respondents’ approaches generalised to the “first aid” approach - a genuine desire to help the unsuccessful applicant organisation come to terms with the decision accompanied by a willingness to provide advice on how to improve the failed application in order to improve chances of success next time. However, they reported the organisations had tended to rebuff these efforts, leading to conjecture that future applications would be more likely to continue to fail.

The consideration of inter-organisational discord arising from grant refusal in stage one was very limited. Moreover, the suggestion that the “first aid” approach by the grant maker would be unwelcome to those grant seekers, which were so distraught by their experience that they were unwilling to enter any remedial dialogue, was problematic, not least as it was a “one sided” set of reports. Although subsequently, two pilot case studies, one based on direct respondent (grant seeker) account; and one on indirect, secondary sources, based on media reports of a prominent grant refusal were undertaken, these again were producing a grant seeker-led perspective. It was decided therefore to move into a broader research design, which would

incorporate grant seekers' direct accounts and experiences as well as those of grant makers, to examine a more cross sectoral approach to grant refusal communications, whilst retaining a purposive approach to reaching and keeping contact with organisation respondents.

From this study, the general theme of the research, the study of communications *per se* between the main stakeholders at grant refusal (rather than a narrower view of grant seeker anger and its impact), was confirmed. A research questions approach, rather than a hypothesis approach was taken. After a wide ranging review of questions, as discussed in section two, three interlinked questions concerning characterisations, learning opportunities and promising practices, were identified, as follows:

- How do grant makers and grant seekers characterise their communications experiences and practices, when grant refusal occurs?
- What kinds of learning, if any, are grant makers and grant seekers able to draw from these experiences and characterisations?
- Where and how may promising practices in grant refusal communications be identified from grant makers' and grant seekers' perspectives on their experiences?

It was felt that a mixed methods approach, to seek to ensure as much coverage as possible of grant maker and grant seeker voices, was required. The scoping stage had confirmed the value of interviews covering a range of circumstances; whilst the two case studies had been able to drill down into examples of particular complexity and challenge. Both cases had however, by their nature, been "one sided", either wholly or largely drawn from grant seekers' perspectives. The possibility of undertaking case study research where cases "matched" refusing grant maker and their refused grant seeker was considered; but not progressed. It was felt that this would be too intrusive a research request, and at some risk of critiquing the decision making rather the decision giving, which was the focus of this research. It was also decided not to continue or incorporate case study methods in further stages; but to seek mini case accounts or vignettes from individual interviewees. The following stages were therefore agreed:

- 1. The interviews stage** with selected grant makers and grant seekers (not matched in relation to failed bids). This was subsequently extended to include interviews with selected advisors/consultants to grant seekers, with experience in the “post refusal” period. A purposive, (i.e. invitational sampling) approach was used, supplemented by snowball or chain sampling for the advisers.
- 2. The focus group stage** with selected grant makers and grant seekers. Members of the group would be self-selecting invited from the Association of Charitable Foundations (ACF) as the key membership organisation in the UK for grant makers; and from selected membership organisations of grant seekers. Three grant seeker membership organisations were invited to participate in the research, the Small Charities Coalition (SCC) Voice4Change (V4C) and the British Association of Settlements and Social Action Centres (Bassac); of these, SCC and V4C participated.
- 3. The survey stage** This would be structured in response to preliminary analysis from the interview and focus group stages; and would be designed to collect primarily quantitative data, to balance the qualitative data from the interviews. It was designed for electronic dispatch and submission, to the memberships of ACF (for grant makers) and to Bassac, the SCC, V4C and NAVCA (for grant seekers). Here, the sampling frame comprised the membership and subscriber to *Trust and Foundation News* lists of ACF for grant makers and the membership lists of the SCC and V4C for grant seekers; with members contacted directly by email, and invited to access the on line survey. Participation from the membership of the National Association for Voluntary and Community Action (NAVCA) was also sought for the latter group, but via an invitation to access the electronic survey via NAVCA’s members’ website, rather than to individual members.

Overall, this was designed to elicit descriptive research data, seeking to present respondents’ accounts, perceptions and stories, with a view to identifying promising communications practices. Thematic analysis for the interview and focus group findings was undertaken, to identify shared and contrasting themes, and a quantitative and thematic analysis of the survey responses was presented.

(Insufficient respondent numbers for grant seekers at the survey stage has meant that only qualitative material and individual respondents' commentaries are reported, in relation to the earlier themes identified.)

Adapting the “crafting management research framework” (Watson, 1994), the research approach may be summarised as follows:

<p>What? – What intrigues me?</p> <p>What do I want to know more about?</p> <p>The nature and effects of the processes and practices of communicating grant refusal, by grant makers to grant seekers; the opportunities for organisation learning when grants are refused as well as made.</p> <p>What are my key research questions?</p> <ul style="list-style-type: none"> ▪ How do grant makers and grant seekers characterise their communications experiences and practices, when grant refusal occurs? ▪ What kinds of learning, if any, are grant makers and grant seekers able to draw from these experiences and characterisations? ▪ Where and how may promising practices in grant refusal communications be identified from grant makers' and grant seekers' perspectives on their experiences? 	<p>Why – Why will this be of interest to others?</p> <p>Is the research a contribution to knowledge?</p> <p>Major emphasis on supporting and developing <i>successful</i> grant seekers has left the processes and experiences of grant refusal unexamined; the under-researched case; under exploration a function of the sensitive nature of these occasions and situations; but important to move beyond anecdotal stories within the sector communications strategies in voluntary and community organisations generally also minimally researched provides opportunities to identify and consider range of practices, promising and otherwise; and to make recommendations to further support grant makers and grant seekers seeks to provide recommendations for communications practice by grant makers and grant seekers .</p>
<p>How – conceptually?</p> <p>What concepts and theories can I draw on to answer my research questions?</p> <ul style="list-style-type: none"> ▪ literature on communications within VCOs ▪ also on learning from experience ▪ importance of the (limited) practice-led literature on grant refusal, positive and negative accounts; and assessments of 'how to' literature. 	<p>How – practically?</p> <p>What investigative techniques to use, to gather and analyse my material?</p> <p>To enhance grant maker and grant seeker voices, and accounts of grant refusal, mix of qualitative and quantitative data; collected purposively.</p> <p>After scoping study; one to one interviews to elicit in depth vignettes and mini cases; focus groups with grant seekers and grant makers (not mixed); to explore for comparison of communications processes and strategies; online survey for grant makers and grant seekers to establish the wider context of communications practice.</p>

5. The Scoping Study Stage

The initial work of the scoping study established the importance of interactions between grant makers and grant seekers on grant refusal, whilst concentrating on aspects of inter-organisational discord, and contested narratives of what had occurred (Bradburn and Harrow, 2006, 2008). This has been described above, in the description of the development of the overall research design. In addition to the development of a theoretical range of grant maker responses to grant seekers, notably the role of the “first aider” trying to give some areas for improvement, two case studies were researched and presented (Bradburn and Harrow, 2008). The first of these contained an organisational account by a leading voluntary organisation of the communications aspects of grant refusal from a major public funder; where disappointment was compounded by the collaborative bid that had been made, so that further inter-organisation relations were then difficult. This was an anonymised study throughout. The second was an account of the communications issues surrounding the announcement of grant withdrawal from a leading arts project by the Arts Council during 2007, the “public” outcry that ensued (a case of “grant rage”) and the subsequent reversal of the grant refusal decision. Here the case sources were wholly secondary, drawn from the media and press; with key contributors and the organisation (the Northcott Theatre, Exeter) identified (Bradburn and Harrow, *op. cit.*, appendices 1 and 2).

Findings yielded from these cases pointed to the complexity attached to grant refusal processes and communications. In the case of the joint bid, Bradburn and Harrow noted that “As the case unfolds, the strong sense of expectancy and shared commitment by the *grant seeker* builds, especially as the consortium with other organisations (which had been strongly flagged by the funder as “very welcome”) responded well to the time and effort invested in making it work. An immense investment of time and money within the lead organisation helped grow a high level of belief in the inherent value of the project. A boost of “getting through the first round” was underpinned further by receiving (or “hearing”) information about the likely numbers of finally funded projects. The realisation that refusal was on its way

dawned, as other organisations excitedly reported their good news – “have you got your letter yet” – whilst no communication had been received” (*ibid*, 8).

The organisational learning reported in this case was such that it was “propelling the organisation firmly away from any kind of grant seeking consortium work of this kind on this scale in future, notwithstanding the grant makers’ blandishments to engage in this mode of work” (*ibid*, 9).

The case of the (apparent) grant refusal u-turn, when grant refusal (or rather cessation, after earlier grants) for a regional theatre led to a public campaign of vilification of the grant maker (the Arts Council), concentrating on the decision making rather than the decision giving, with the grant maker seen as “...variously ill informed, hard hearted, wholly unreasonable, historically illiterate and impossible to communicate with” (*ibid*, 10). When the grant was reinstated, albeit with conditions, the case was seen as exemplifying a rare event, when “grant rage can be or becomes legitimized; particularly where stakeholders include various branches of government and influential institutions, and there is no immediate likely danger to any other similar organisation as the result of these actions” (*op. cit*).

However, with the first case illustrating communications experiences at the hands of a public grant maker, and the second a public (or quasi-public) grant maker also, the need to both widen the research and to draw on the trust and foundation grant makers and their accounts, as well as those of grant seekers, was acknowledged. This led directly to the interviews stage of the research, discussed below.

6. The Interviews Stage: Findings and Analysis

6.1 The interviews with grant seekers

Face-to-face interviews with grant seekers took place at senior manager level in ten organisations, ranging across sectoral interests from housing needs to environments concerns, and ranging across CEOs, senior fundraisers and communications managers. The interviews were organised purposively, in order to obtain an organisational sectoral mix, and to seek coverage of grants being sought from a range of grant makers (in size and specialisation). Respondents invited to draw on specific instances of their interactions with grant makers; although these were not identified by grant maker name in the transcripts' analysis.

For this sequence of the research ten interviews were scheduled and undertaken, each lasting approximately seventy-five minutes. The interview schedule is set out in Appendix 1.

The interview transcripts were reviewed for key themes relating to grant refusal. They demonstrated five prominent and shared themes, which are now presented as findings, below, supported by illustrative extracts from the interviews.

These themes were:

- The high value of the “preliminary contact”, allied to the financial pressures also facing grant makers; also seen as a wider “dialogue” between grant makers and grant seekers, and cross-sectoral networking
- The variations in experience of the directions and forms of decision giving
- The widespread search for tailored and crafted feedback on the refusal rationale
- The emotional impacts of grant refusal, their effects on further applications and on intra-sectoral relations
- Uncertainty on the value of increased openness not only “who got what”, but “who did not receive”, together general opposition to going too public on grant refusal.

These themes are now examined in turn.

The high value of the “preliminary contact” allied to the financial pressures also facing grant makers, also seen as a wider “dialogue” between grant makers and grant seekers, and cross-sectoral networking

Although some respondents characterised this as something which “most grant makers won’t entertain” (disability organisation), and moreover, grant makers’ justifying this on grounds of “wanting to be seen to ‘fair’” and not favouring one project over another, the value of the preliminary application as widely commended where it was offered. For one respondent, in working in the minorities field, getting to such early contact was however “very hit and miss” and in any event was “complicated by the fact that not all funders have sufficiently clear criteria”. However, it was also understood that, perhaps ironically, “many trusts themselves don’t have the staff and resources to provide preliminary contact” (community organisation). The worst of all worlds could be the position where “preliminary contact is just directing you to the criteria, really encouraging an application and then refusing...” (disability organisation).

Several respondents commended pre-contact initiatives such as open invitation “seminars” from foundations to would-be grant seekers, communicating not only “areas of interest” but where more (or less) applications were being sought, and the kinds of circumstance in which re-application was appropriate. One respondent (health-based organisation) also stressed the value of such events in which one of the key messages had been that “the grant maker might take time to understand an organisation’s business and ideas”, stressing the counter argument of grant seeker surprise that their role and mission has not been instantly captured or been persuasive. That “preliminary contacts” and their corollary, preliminary or outline applications themselves were likely to be demanding for the grant seeker, and not an easy (or auspicious) route in getting to a decision was emphasised by two respondents in the environment field, for example where, with a leading trust, one organisation “did a preliminary application which took a lot of time and on the basis of that they got a meeting to talk about the second stage application and at that meeting they were told it was not worth making a formal application...”

That the preliminary contact might not just be about a current funding need, but part of a continuing level of communication between grant maker and grant seeker was a position posed however by a minority of respondents. One identified the value of being able to “get into a dialogue” as early as possible; although this was proving “more difficult as a result of an increased level of applications (and)... funders being more distant ...although if you’re already ‘in’, then it’s less of a problem.”

This sub-theme of the perceived existence of insiders and outsiders, at the grant refusal as well as grant success stage was also marked. One respondent reported her innate caution, as an implicit outsider, “I never think to ring... (tending) to think that they would be too busy” (child welfare organisation). Another categorised trusts into the “good” (those which welcomed early contact) and those which went out of their way not to do so, as “secretive and even murky about their funding, with no websites or a website hosted by a third party” (housing support organisation.)

A further respondent stressed the number of trusts which “won’t accept unsolicited applications. This means it’s important to be part of the networks which grant makers frequent, although that itself may prove to be difficult” (minorities group). As a further pre-application barrier, even getting into the loop was then difficult, and moreover, even within their own organisation, one respondent (in another minorities group) assessed that whilst they probably had a success rate of around one in six for good preliminary contacts, they had found that it was one in ten for a colleague”.

The variations in experience of the directions and quality of decision-giving

Respondents reported a degree of variation in the direction of the refusal communications, though only one reported a trust’s “insistence on communicating with our treasurer”; predominantly these were inter-professional exchanges, which themselves varied according to prior relationships, “if it’s a cold approach, expect a cold reply. If it’s a warm contact, then expect a more personal approach.” Generally, a distinction was recognised between those who make the decision and those who conveyed it.

Correspondence experience indicated a range of experience from standardised “and even photocopied” letters to detailed emails. Whilst only a minority of respondents reported the lack of any return communications at all, these situations were reported

as being above half of all the applications sent. One housing organisation respondent reported that “it’s getting common for grant makers to extend their deadlines for giving a decision... and then not getting a reply at all”. Yet contrasting accounts of the practices of “smaller trusts” was reported, on the one hand described as much better than that with major trusts (and government grant making bodies); but also problematic where they were very slow to respond.

The search for and use of tailored and crafted feedback on the refusal rationale

In a widespread shared perception that “standard letters aren’t much use”, respondents were marked in looking for timely and tailored feedback. Reports varied moreover from (apparent) misreading of applications, where funders erroneously commented that experience was lacking in a field where it was in fact very strong (environmental organisation) to one where no feedback was given and a “defensive” response ensued after an enquiry (housing organisation).

Implicit disappointment with feedback that “tended to follow a protocol and to be rather generic” (a minority group) was shared; though some respondents voiced a greater willingness than others to receive blunt feedback. One (minority group organisation) for example stressed that “what we want above all is honesty but don’t get enough of it” and reported wanting to hear “this is where you have messed up.” This same organisation reported being told (albeit by a public grant maker) that a named organisation had received a grant in preference to them because the former had been bigger and better resourced and characterised their response as “...didn’t mind, wanted to know...” The need for an approach which contained a “scoring element” (on the lines of some feedback from public tender applications) was also identified; as were contrasting views about the extent of feedback, some respondents “not minding not being given much feedback if the application wasn’t a near miss, but if it is a near miss, could do with more feedback”, others seeking extensive feedback under all circumstances.

For another respondent, also reporting minimal feedback and a wish to have their application weaknesses probed and pointed out, there was acceptance that such weaknesses did exist. For this respondent, (children’s welfare organisation), valuable (if indirect) learning had recently taken place, through attendance at a training

programme run by a grant maker, which included studying unsuccessful applications to see why this was the case; so reinforcing the view of the helpfulness of grant makers' openness in this form. These views were however balanced by a community neighbourhood organisation, which reported "almost never" receiving feedback, acknowledged the immense difficulty for grant makers in "giving constructive criticism", especially where they lacked the time "to personalise their refusal". Moreover, a second community organisation argued, first and foremost for the grant seeker to make a strong application, whilst "the grant maker can't be expected to tutor them". The value of directing the "refusals" to other potential funders, whilst welcomed, was acknowledged as carrying some risk – "there is some danger of being sent off in the wrong direction to other trusts...to give that sort of advice, they really need to know the sector (so what help they can offer by way of help) depends on their own knowledge" (community/neighbourhood organisation).

Making use of feedback received was also reported, for example, the systematisation of feedback knowledge "it is written up on our system and informs further approaches, even if that is just when to reapply or not to bother" (disability organisation). An environmental organisation acknowledged the explicit challenge they had received from much feedback, that is "the need to say things more succinctly and to spell things out more overtly (despite) the problem that (the organisation) is complex...and (difficulties in doing applications) which can be understand with understanding everything about... (the organisation)." For one respondent, for whom "it is always possible to learn from any feedback", recognition was clear that in one cited example of "very good feedback", this was a function not only of a "strong" but a well informed team of grants officers (community organisation).

One respondent noted that they "would also like feedback on successful applications, since it is good to know why you have succeeded too."

The emotional impacts of grant refusal, their effects on further applications and on intra-sectoral relations

Respondents were uniform in their recognition of the importance of emotion as a component in the grant refusal experience, whilst their accounts themselves were not uniform. These ranged from specific examples cited from those where an

immediate “move on” was required, to those which created a degree of organisational confusion. One minority organisation was however blunt, that “refused organisations should not consider refusal to be a pretext for throwing a fit”. The level of organisational anger that earlier work had sought to characterise as “grant rage” was not reported; in fact a degree of apparent calmness prevailed in one organisation which saw its work as a not very popular cause and therefore “have to accept that they will be rejected”.

When combined with minimal or over generalised feedback however, several organisations reported a sense of being bemused or anxious; with that anxiety at risk of translating into uncertainties in subsequent applications: “this leads us to feel more anxious about the next application, especially since we have had a lot of success in the past but the more you’re knocked back, the more anxious you become about the next application” (environmental organisation). The sense of circularity among some respondents was also expressed, if trusts were tempted to gravitate (because their own falling resources) to organisations which they already know and trust; so that the potential for negative impacts from refusal become even more wide. For one organisation, national cultural differences were also seen to play a part in the extent and nature of the emotional reaction to refusal. As the only respondent interviewed where there was an international fundraising element, and committee involvement, they noted that “members respond differently according to where they are from. For instance, for the Hong Kong member, there is an element of shame in being rejected. The US people are more upbeat” (health organisation).

Uncertainty on the value of increased openness not only “who got what”, but who did not receive’ and general opposition to going too public on grant refusal

Respondents also varied in their perceptions of the value of increasing openness among grant makers; generally not supporting (and even being afraid) of ideas of trusts ‘exchanging names’ of organisations remaining unfunded. One organisation reported the value of its practice of “going over the accounts of other charities in their sector... and try and see if they succeeded” (disability organisation), in a neutral rather than critical fashion; whilst another identified the additional challenges to openness posed by collaborative applications which had been unsuccessful, given

the constraints of any future partnership working (housing organisations). No support was expressed for any formalised “appeal mechanism”.

Respondents were however united in remaining very wary of their own openness in grant refusal, in the sense of “going public” on their situation or “plight”; from reasons that ranged from not wishing to alienate potential future funders, to lacking the kind of “PR” ability to do this well. For some (housing organisations), jeopardising possible future support was the main restraint. In another (minorities organisation), which cited an instance of past publicising of funding refusals for a sensitive and “political” project, “the very experience of partnership working” (across the sector and with local authorities) was “making it more difficult to make a fuss”. Although some organisations might informally raise the refusal issue with a grant maker’s trustees, if they were well known to them, such an approach was seen as better left to the sector representing or umbrella bodies: “it would be better for organisations such as NCVO to go public if there’s a problem which transcends one organisation” (minorities organisation). A far better use of their organisational reputation and public profile (health organisation) would be to raise more money.

At the same time, one respondent (in a minorities organisation) reflected on the lack of “militancy” generally within the sector; whilst another (housing) acknowledged signs of a trend to go public on public grant making refusal in some instances, for example, having had the opportunity on one refusal to have a question raised in Parliament on their behalf (this was not taken up).

6.2 Interviews with grant makers

Face-to-face interviews with grant makers were scheduled at senior grants manager and CEO level in ten organisations; nine being completed. The interviews were organised purposively, in order to obtain an organisational sectoral mix, and to seek coverage of in the areas where grants were being made, rather than the overall size of the grant maker. Respondents invited to draw on specific instances of their interactions with grant seekers; although these were not identified by name in the transcripts’ analysis.

For this sequence of the research, ten interviews were scheduled and undertaken, each lasting approximately seventy-five minutes. The interview schedule is set out in Appendix 1.

The interview transcripts were reviewed for key themes relating to grant refusal. They demonstrated five prominent and shared themes, which are now presented as findings, below, supported by illustrative extracts from the interviews:

- A considerable range of communications approaches prior to applications being made, and tailored to the needs of the particular grant maker
- The equivalent differentiation of communication at refusal, including continuing contact
- Uncertainty as to the range of organisational responses to refusal from grant seekers
- Lack of agreement about the grant makers' role in organisational learning for grant seekers
- Identification of a range of promising or helpful practices in refusal communications.

A considerable range of communications approaches prior to applications being made, and, tailored to the needs of the particular grant maker

Organisational practices here illustrated by themselves the wide extent of differentiation that exists among grant making bodies. These included the utterly straightforward; “we send details of our schemes and how organisations do or don't fit in, by post and that is it” (disability funder), and the ‘in development’ approach: “we do give some advice over the phone before a proposal is made but we are looking at a Q and A approach to send out because this can get a bit tricky and can get you into almost writing their bid for them” (health funder).

One funder with health and housing interests reported that in addition to written and online guidance, “previous trustees (had been) keen that there should be visits to selected inquirers and interesting applicants and started a visiting scheme themselves; but this was becoming a bit hard to handle ...and discontinued... I think the crux of the thing here is equity.” Organisational size as a factor in precluding

extensive pre-application communication was seen as a key factor, for example “we are too small to handle lots of this – we have formal statement of what we are looking for; and we direct any inquirers to look at our annual report because that contains examples of organisations and projects that we funded” (children’s welfare funder). Another organisation, funding mainly in the field of young adult needs, compromised by offering “limited telephone pre-application enquiries but in a two week window, which concentrates the mind.”

For those funders with some contact opportunity, the expectation that this would improve subsequent bids was implicit, but this was unsurprisingly also aligning with an opportunity for filtering (though not reducing) bids. Thus, a funder with interests in poverty and employment needs, which gave no opportunities for early “conversations” but offered a two stage process, “made sure that the stage one applicants see the form requirements for stage two as well, so that they see what they could be asked to do“, with the added comment “...does this sound like gate-keeping, not meant to be”.

The equivalent differentiation of communication at refusal, including continuing contact

It appeared that the varying layers of decision taking on grant refusal led also to varying approaches to sending out that news, from trustees at specially convened meetings, where the chair will then sign correspondence, through to a staff preference and advisory list, presented to the board, mapping applicants to the trust’s objectives, where the news was given by specialist grants officers, the majority of correspondence came from the grant maker CEO, for example, in the case of the funder for young adults: “We used to do this from the field staff who led on their case – the most knowledgeable about their application – but now changed to the Director. Not sure why this was, before my time; I assume it is a sort of protective measure and Director carries (the) can. But this should not devalue the field staff’s professionalism; a very pressured and lonely job.” For a funder with a poverty focus, the CEO reported that: “We have an incoming chair who wants all letters now to come from the CEO; I think that’s right – we haven’t discussed reasons, I’m sure it is not because they want to be kept out of the blame frame, it is the professional thing to do”.

Whilst there was shared understanding of the grant seeker's "need to know", and often urgent preference to hear quickly, perhaps by telephone, there was also wariness about misunderstandings (rather than adverse reactions to the news *per se*) and little tendency to change long established policy. In one organisation however: "We used to give a verbal result, before the formal stuff, but I do have to say that this was in 'the old days' when there were...well...a lot more yeses...and if we were refusing, we had a better idea of what future income would be, so any stuff about 'do try again', so we sort of felt better that where we said that, it would not be taken as a sop, or sort of 'yeh, yeh'. Now we don't. I just have a horror of being misunderstood or misdialling" (interests in elderly and welfare).

All respondents signalled that no further contact or at least formal contact on their part, (excluding any immediate feedback) took place with refused grant seekers. Whilst one may have identified an implied criticism, and added that "but then we don't keep a register of "faileds" either, so that any new bid has a note on it" (funder with education interests), others stressed that this was informal and varied according to the organisation. For example, from a grant maker with interests in the elderly and welfare, "We don't, formally; some keep contact with us as a matter of course"; and from a health and housing funder, "some are specialists in their field, so we will see them again anyway, others no contact; it varies...but we don't have 'a policy' on this." One grant maker directed refused applicants to keep a watch on their website for new funding opportunities. Another, with employment interests, commented that "We haven't looked at this at all; I think we would only do it formally if there was any sign that the quality of the applications which we *do fund* was becoming poor."

Uncertainty as to the range of organisational responses to refusal from grant seekers

For some grant makers this could be only a matter of guesswork: "well of course disappointment. We don't have that much contact as I've said. ...But that said, we do sometimes get a 'thank you for considering us anyway' letter back – that is always a nice...surprise..." (disability grant maker).

Another noted that this would vary very much according to the situation in which the grant seeker was then placed: “It has to vary according to circumstance, timing, even who made the application, an adviser, the CEO or whatever – so my instinct is it is less about ‘us’ and our refusal and more about ‘them’ and where they are in their organisational life. We can’t possibly have a picture of this, I’m surmising I think, since most don’t come back to us on their ‘responses’, more on factual stuff - and we don’t know what they are really thinking.”

A health and education grant maker braced themselves for being asked for help with other funders, and did so, “because that is what ‘refusals’ come back and ask us for”. However, this itself appeared to be increasingly problematic: “But we’re really getting hard pushed on this now – we’d need to be bang up-to-date with what other funders are doing and I’m not sure that we are or can be... and we are also worried about it looking as if we are swamping others with our rejects... on the other hand we don’t have the time to go to some of those funders and talk it through with them. So regretfully, I think we may stop this unless we can be absolutely clear that something will ‘fit’.” A grant maker in the young adult need field also reported that they offer feedback, within a specified time period, yet “...we have never been swamped by this ...and most seem not to take it up. I think I can understand in some cases – why have salt rubbed in the wound?”

One grant maker funding elderly issues referred to an implicit filter they knew elsewhere which appeared to be designed to help soften a blow: I do know a local trust that tells its applicants when a application goes forward what the percentage ‘take up’ rate is – its very small – I presume to get them attuned to the idea that they’re less likely than more likely to get through – but I don’t think people read that as applying to them. We wouldn’t do it.”

No grant maker reported any over “grant rage” or contested response, recording, for example that “people are generally pretty civil”. One, in the children’s welfare field, which had offered no further contact, conjectured that “I get the feeling from some applications that some organisations will feel quite baffled when turned down. I mean, because they stress how valuable the work they do is, so how on earth could they get turned down; but we haven’t got space and time to do any more with them.”

Another reported, albeit that this was “all impressions”, that “I think recently, some pretty sanguine respondents, recognising their bid wasn’t perfect and so on; obviously a lot of disappointment but this tends not to filter through to us (but it is) more difficult to predict if you are in the “inviteds” and then don’t make it through...” (grant maker funding poverty issues).

Whilst a minority of grant makers were very marginally aware of any potential for reputational damage if “refused organisations” criticised them or their processes in public (for example, “We make sure we have a ‘tailored response’ to comebacks that look as if they might go in this direction; but these are always short and reiterate our decision”) (care of elderly organisation). The majority saw no risk at all in this area, given that they make their process clear and stick to it or because they consider that their decisions are were “felt to be fair”.

For a grant maker funding needs of young adults this was addressed in terms of trust: “We work on the basis of trusting our applicants and expect that they trust our responses in return; for example, we do give some phone feedback which I suppose could be risky and I met a European grant maker (no name) last year who told us that they always tape those conversations... really not where we are at, at all. ...who has the time for that? We never had a disgruntled organisation ever complain about us in press or whatever... We have had a couple of rejects going to other funders saying ‘X’ would have funded us, and will if you fund us – which was not the case; but that was easily handled and not a ‘public’ thing.”

Lack of agreement about the grant makers’ role in organisational learning for grant seekers

Respondents disagreed as to whether grant makers had this wider learning responsibility. For the disability grant maker for example, “(We have) no learning role as such - we try to make as clear as we can what is on offer - they are the learners.” One young adult needs grant maker suggested that there was a tendency to learning resistance among some grant seekers, that is, that “people (were) not really wanting to have tough points too pressed home.” In contrast a health grant maker identified learning in the early stages of application development generally in grant making, but worried about too overt help or direction in content or style: “I do know of some trusts

where grant officers have actually helped develop and phrase a final application, to help all concerned. But does this really help? And is any learning really being made when you are being ‘spoon-fed’ – or is that what it is?”

Another funder, in the employment needs field, looked to the practicalities: “What is a challenge for us in giving any sort of useful feedback is cases of larger and joint bids (i.e. several organisations bidding together) – how is that learning disentangled for *all* the organisations?”

Among respondents, only one cited the issue of – and the difficulties of – mutual learning by grant makers as well as grant seekers in the refusal process, as well as seeming to express doubt about its possibility: “...never get the breathing space to step back and say what did all parties learn from assessing and being assessed in a particular round of grant bids – [it would be] a brave facilitator to put us all in the same room” (health and housing grant maker).

Identification of a range of promising or helpful practices in refusal communications

With no grant maker committing themselves either to a “model” approach to refusal communications (but neither identifying their own approach as that good, nor linking a model approach inexorably to costs and resources stretch), suggestions were as much about style as about content. Several grant makers reported that whatever the form and content of communications, “a number of people may read a rejection letter anyway and see different things” and one suggested that “a model for one time won’t suit another”, going on to ask rhetorically whether “in harder times are we just supposed to do nicer letters?” Avoiding too great a time lag between contact was identified as important, as well as informing applicants what they can expect (“even if it is a post card, saying ‘unsuccessful’”); along with thanking people for the trouble they have taken in applying, and “having a real person signing (the) letter”.

One grant maker emphasised the need for variation according to the type of application: “...varies as to whether this has been a one off or an in-depth process – the more you ask applicants to do in their application, the more you should respond in a similar way”, whilst adding reflectively “not sure if we quite do this, though”.

A further source of emphasis that whilst there could be no one single all encompassing model for refusal, as well as grant makers' differences being recognised and valued, it was that extent of grant maker difference that made it up to them to proactively assess their part of the (grant making) market: signalling the importance of how fellow grant makers were communicating refusals and the particular needs of their grant seeking clientele.

6.3 The interviews with intermediaries

Among the grant maker interviews was one in which it was suggested that "intermediaries" in the grant maker/grant seeker world could provide useful insights into the communications relationships at the point of grant refusal. Here, "intermediaries" are primarily the independent consultants supporting organisations in grant applications and/or brought in to the organisation in the wake of grant refusal, to review subsequent actions.

It is recognised that this particular group of respondents are both to a degree tangential to the key research focus of grant makers and grant seekers, whilst also being interested parties, where they were brought in to review and assess a grant seeking organisation's position, post refusal. As one intermediary expressed it, "...well, I make my money out of grant refusal... well not really, but I get called in when an organisation is sort of trailing and can't crack grants and set around revamping." However, their observations, at one removed, provided the opportunity to assess and reflect refusal communications from both perspectives.

For this sequence in the research, ten interviews were scheduled, and seven were conducted, six face-to-face and one by telephone, each lasting approximately seventy-five minutes. The interview schedule is set out in Appendix 1.

Of the seven intermediaries, all of whom were contacted via the snowball or chain sampling method, from individual suggestions beginning from the first respondent, four were independent consultants working in the voluntary and community sector, (including one combining this role with interim management work, and one recently retired as a grant seeking CEO), one was an associate of a consulting group, one

was a partner in a “small” consulting group, and one was a *pro bono* consultant, working individually.

The interview transcripts were reviewed for key themes relating to grant refusal. They demonstrated five prominent and shared themes; and four lesser themes, which are now presented as findings, below. Each is supported by illustrative extracts from the interviews, drawing largely on specific incidents.

From this mixed and stand back perspective, the prominent shared themes were:

- Recognition of the “no win” situations faced by many grant makers, with no major criticisms of their communications, whilst reflecting on the existence of poor quality proposals and the difficulties of who takes responsibility for these
- The variety of attitudes among grant seekers towards getting and acting on feedback, with some uncertainty about learning posed through the very varying organisational timescales
- The challenges of internal communications for grant seekers, when telling colleagues and volunteers about their lack of grant success, including morale questions, fundraisers shielding organisational colleagues or a signal for wider organisation decisions
- The undoubted emotional responses that grant refusal may provoke
- The effects of organisational subcultures and issues of managerial styles (for CEOs) in grant seekers’ responses.

Minority themes, which were not shared across respondents’ accounts, were those of:

- Grant seekers’ concerns that grant makers would share the news of their failure with others, and/or that news of their failure would be leaked
- Grant seeker learning in rapid adjustment of subsequent bids in the pipeline
- Lack of willingness among grant seekers to fully accept their highly competitive environments
- The implications for grant seekers in applying to grant makers where funding interests were very wide and general, rather than clearly tailored to their work.

The “no win” position for grant makers

This is illustrated by one emphatic description of a particular occasion, where the consultant was “on the spot” when the refusal arrived: “The unable to fund letter was clear and civil, and I thought far more detailed than it might have been...could have been a model of its kind but this didn’t stop two people slamming down the letter in front of me and saying sort of ‘look at *that* then...’” (Associate in consulting group).

Others recognised not only the demands in time on grant makers here, but the implicit question of equity as between grant seekers, for example, where “the grant makers were as clear as they could be, without hand holding” (consulting partner). Cases of grant seekers declaring that they had been “promised” a grant were rare in the examples used in illustration; with respondents in some instances speculating internally that a particular bid was known not to be that strong.

Here, the response of the grant seeker (including its own internal communications handling) was seen as being: “...something about timing that is hard to pin down. When to see what can be learned from refusal (including going back to the grant makers) and when to put your hands up and admit that it wasn’t very good/you were skating on thin ice or whatever” (independent consultant).

In relation to less strong bids, one independent consultant noted: “I’ve never worked with a downright rejection on the lines of ‘this was rubbish’ though there must be times where grant makers want to say this.”

The challenges of internal communications for grant seekers

The question of the “trickle down” in the refused organisation of its news was seen as demanding, where an organisation’s volunteers were concerned; with the issue of reporting on a grant maker’s response that noted there had been “a great many excellent bids”. For some, volunteers especially and several consultants, this was felt helpful and something they would quite like to know whilst for others, “it just made them crosser”.

In the only detailed vignette provided in this set of interviews, where a locally-supported and highly valued health charity experienced a run of refusals, the

demands placed on fundraising staff, where they were predominantly the grant seekers, were strongly highlighted: "...problem had been that the extent of the turn downs hadn't really been shared in the organisation – sort of not wanting to rock the boat and perhaps demoralise people, so fundraisers were keeping quiet about them. The new CEO told me he had no idea until he was in post 'just how many organisations had turned us down'. Fundraisers had not wanted to upset people (well who wants to tell a crowd of willing volunteers that X trust has just refused us money)... so hadn't made refusals widely known. Kept it to themselves; and only very latterly shared this with the board... As I saw it, the fundraisers felt they were just being kicked, time after time, but that it was sort of up to them just to 'pick themselves up and dust themselves down' whatever... and press on" (independent consultant).

Here the respondent was very clear that the fundraisers had themselves been unsupported: "they had carried too much of the burden; (but) this was taking bravery too far; and then when it came out, more difficult to deal with." Subsequently managed with the incoming CEO, recognising that this also had "reflected poorly on the board", the importance of sharing both good and bad news within the organisations was able to be stressed and, critically, avoiding a blame culture developing.

The variety of attitudes among grant seekers towards getting and acting on feedback

For some respondents, the need for recognition of the refusal, whilst not "taking the luxury of looking too hard at the dead body" (as the consultant/interim manager suggested, in relation to the organisation's internal communications) was important. The question of "who takes responsibility for the (unsuccessful) bid" was also raised implicitly, where this affected interactions with the grant maker, for example, where an independent consultant took over the role of seeking further feedback and reported that "it was a lot easier for me to get more feedback if it wasn't my name on the failed bid."

Cultivating a sense of detachment for this process was seen as essential, and with an attitude to feedback which was more about "how we can be more convincing' that 'where did we go wrong'" (independent consultant).

Contrastingly, the case for feeding back to the grant makers in turn was also made, with the emphasis that there was: “no harm in writing to say ‘thank you for considering us’ when you get the refusal letter, unless it is the blunt ‘don’t even write to us’ stuff. Some trusts will remember that; and it does at least recognise how hard the decisions on grants given and refused were. Even if (it is) more therapeutic to imagine that your bid was callously tossed aside...” (partner consultant).

The undoubted emotional responses that grant refusal may provoke

This was illustrated in relation to a grant where no subsequent contact with the grant maker was followed through, as reported to the consultant by the organisation’s director: “The Director said... he stared at the letter and wanted to ring them up and say something like – ‘do you know what this means to us, can we have another go now please’ – but didn’t as this would have been ‘highly unprofessional’, and I think he said ‘pathetic’” (independent consultant).

An alternative approach to follow-up communications with the grant maker was seen as a breach of “etiquette” by another respondent, who whilst acknowledging that such etiquette “varies throughout the sector”, was led to an implicit rule for unsuccessful grant seekers: “...never ring up the posh ones and shout...” (partner consultant). Yet in contrast, a further respondent described an organisation where the refusal left them “rueful and pretty exhausted, which is why I said I would have a look” (pro bono consultant).

Some organisational responses were described, as disbelieving of the encouragement when this was contained in refusal letters – “...some organisations don’t seem to believe it when they are invited to review and re-apply... (They) just think it is being smarmy... (I) have to convince them to do this sometimes...” (New ex-CEO consultant).

For some consultants it was the sense of “surprise” that was the most marked; and this was linked to attitudes to feedback, for example, the importance of “just not spending too long trying to ‘decipher’ what the refusal letter meant” (independent consultant). A contrasting response, also from an independent consultant suggested that facing up to an inner message in refusal was sometimes essential, if put with bluntness: “Let’s face it, getting turned down for a number of grants isn’t only a sign

that you are misunderstood and stuff, it may be a sign that you ought to pack up and go home.”

The effects of organisational sub-cultures and issues of managerial styles (for CEOs) in grant seekers’ responses

For the CEO of the health charity where its fundraisers had felt it imperative not to disclose the extent of refusals, the opportunity of being new in post had been crucial to a shift in internal communications; although for the consultant, this was a matter also of re-examining the fund raiser role, given that previously, there had been no fundraiser on the senior management team – “yet (they were) expected to shoulder the hard work” (independent consultant).

For one respondent however, the invitation to reflect more widely on the research topic raised an enduring question of the CEO’s approach to refusal and its wider organisational culture issues. This is quoted at length to illustrate the organisational dilemmas in which grant refusals play a key part: “I hadn’t thought about this before in the way you presented it but it is a real personal style puzzle for CEOs... (meaning)... when they don’t get a grant, if they are really cut up and miserable, is that good because it shows passion and commitment and so on ...all this stuff that drives the voluntary sector we are told, ...or bad because, unprofessional, too close, sending negative vibes and such. Do detached CEOs do better at getting in funds (another research topic...) or are they just better at coping with fall out? But then some staff want to see a chief exec sharing everyone’s pain, getting wild (...throwing stuff?) I’d have to go for detached, I think... but that could be a mask etc etc. How do trustees react do you know?” (New consultant and recent CEO).

7. The Focus Groups Stage: Findings and Analysis

The use of focus groups of grant makers and grant seekers in the research was designed to draw on the advantages of this method. These were seen as the opportunity to enable group participants to interact with each other, with possibilities of reinforcing current ideas or generating new ideas in relation to the topic; and the more dynamic nature of the method (allowing a degree of movement away from an interview schedule where this was illuminating the topic discussion). Focus groups were not mixed between grant makers and grant seekers; with two held in spring/summer 2009 with grant makers (at the commencement of the field research stage, so helping to set the research scene and approach) and two in summer 2010 with grant seekers, to help draw in the threads of the project. Data and directions from both sets of groups particularly informed the development of the survey stage. Each group worked with one or other of the researchers as moderator/facilitator and as a separate and secondary facilitator, whose prime purpose was taking notes on participants' input. These notes recorded the content of expressed opinions only. Non-verbal behaviour was not used as an additional research input. The focus group interview schedule is given in the Appendix.

Participants in each of the groups identified their organisations to each other and the researcher, and these were noted in the research transcripts. However, the accounts of the main findings, in descriptive form, which follow below, do not match contributions to organisation names.

7.1 Focus group findings with grant makers

Focus Group One: Five members, two research teams

The focus group transcripts were reviewed for content and themes; with findings around the following shared themes:

- Awareness of the current economic constraints putting donors under scrutiny as well as those seeking funds

- Challenges in refusal when former closeness between grant maker and grant seeker is tested
- A mixture of communication models for “saying no”, in the context of the applications process
- The importance of presenting coherent reasons for refusal, linking to the dilemmas posed by the nature and degree of “feedback”
- Acknowledging the reputational risks issue around refusal, notwithstanding the private nature of grant making decision making.

These themes are illustrated below.

Awareness of the current economic constraints putting some donors under scrutiny as well as those seeking funds

Grant makers shared a perception that some donors (that is, organisations as well as individuals) were likely to be under scrutiny for the grants they made – or did not make; with admittedly a very small minority known to be taking (or considering taking) “breaks” in their grant making programmes to “rethink or regroup”. A shared perception was also made that “grant makers were moving to fewer awards of higher value... (which was) ...good news for some but not for others, with more of a gap between those which get and those which don’t...” This degree of stringency was seen as a result of the need to “make more of an impact with a reduced budget” (heritage and arts grant maker). A minority of group members had heard of “others looking at the possibility of outsourcing giving”, though no specific instances were cited.

Challenges in refusal when former closeness between grant maker and grant seeker is tested

For one (multiple charitable purposes) grant maker, the experience of no longer being able to raise grant levels as in previous years, but rather diminishing giving (partly in order to complete capital grant making commitments) was very difficult. In this context “some organisations which reasonably expected to be funded are now not”. Some of these grant seekers, having been funded over considerable periods of time were “more like clients than one-time grant recipients... (so that refusals were)... upsetting to both sides; (we) tend to apologise to them, and explain what

has been happening.” In a discussion about the climate of “apology” and “disappointment”, one general welfare grant maker seemed somewhat protected by this because they were seeing “fewer applications (and) we are uncertain as to why this is happening”, at the same time as they are tending to give larger average grants. In contrast another multiple purpose and organisational development funder challenged the extent – or the need – to apologise, taking the firm view that in the current economic climate, it is “not up to us to say ‘sorry’; and where it was happening, then this is just cultural politeness, (just as) someone steps on our foot and we say sorry...”

A mixture of communication models for saying “no”, as an integral part of the application process

For one grant maker (health, heritage and specialist grant making) which saw itself as “‘putting a penny in the bucket’ kinds of grants rather than giving the bucket”, the refusal was the culmination of major efforts by them (as volunteers) to ensure a really good understanding, through getting the grant seeker to state what they really wanted and needed; making the effort to follow up by telephone and steering to other funders where feasible.

Another multi-purpose grant maker had found “staff training in customer relations” for all communications with inquirers very helpful. (This was the Mary Gober international programme²). In the setting of grant refusal, this “would incorporate never giving a sense of apology (e.g. unfortunately), otherwise this can generate or prompt a sense of grievance”. Again, this would mean “never saying that ‘there was not sufficient funding’”, so creating a potential for grievance and “begging the question, ‘what else have you been spending it on, then?’” This same grant maker reflected on “having sometimes a sense that what is needed is a response that matches the effort that has been put in the first place – that is, a crafted application gets a crafted answer? (And vice versa?)”

For an organisational development and multi-purpose funder, different types of grant programmes (open programmes and special initiatives, using a tender-style application) meant tailored approaches, combined with two stages, and a visit or

² See <http://www.marygober.com/>

presentation in stage two. Inevitably “the difficulties occur where the decision is a finely balanced one and nuanced. Here, the trustee role (is) critical.” Subsequent correspondence from the chief executive clearly needed to be “presented in a professional context that is, fair but distanced from the decision.”

The importance of presenting coherent reasons for refusal, linking to the dilemmas posed by the nature and degree of “feedback”

Respondents were in agreement that the decision should not be presented as “not at the moment”. Even if this had been credible in an earlier time, it would give grant seekers further hope, “when no-one would know if this was justified”. In contrast, grant makers’ responses to “crisis” applications were likely to be very varied. For those who argued that such an application “in fact actually prompts a refusal (good money after bad)” others argued that they would be dealt with no differently, or indeed could be seen as a kind of “investment protection” where further funding had been given. Here again, one grant maker dissented, given that “such a decision is not very sound (and that where this was rarely done) we usually regret it afterwards.”

Linking clear rationales to requests for feedback, further communications dilemmas were highlighted; for example, for one multi-purpose grant maker, which was keen to give feedback, there was also a converse pressure, that “in giving feedback... always the need to be careful about providing any sense of an ‘ongoing dialogue’ – i.e. there is no appeal from the decision nor can there be.”

In a discussion of the hypothesised grant maker responses in support of the refused organisation (Bradburn and Harrow, 2008) the tendency to try to be a “first aider” to the refused grant seekers was recognised to some degree. One multi-purpose grant maker felt that in “many” of their refusals, even “organisational first aid, was too late... (it is)... not so much the after care as the ‘before care’ that is needed.” In emphasising that the style of the organisation as well as its people numbers (staff and/or volunteers) was a key factor in the degree as well as nature of feedback being given, different handling approaches for the feedback request were described. In one multi-purpose grant maker, which was “not able to be proactive on every refusal, because of time, if they ask for feedback, then this is given on an *ad hoc* basis”. However this then “made it difficult to assess the likely impact on workflow;

[with a] ...lack of control at the grant maker end, waiting to see who rings up for feedback.” A means of managing this was suggested by the grant maker which offered both a fixed time period for grant seekers telephoning for feedback, and then used an answer-phone system, so that the grant maker called back at a time of their choosing.

For another grant maker it was nevertheless important to recognise that there was “a minority of grant makers which were completely unable to comprehend that a refusal would upset anyone”; suggesting a further category in the response to those refused, which was “ostrich headed”. Another argued that it was more realistic to see that different kinds of grant maker response to refusals - the first aider, the absolver and so on, were likely to be found in the same organisation, certainly in larger grant makers “Different individual staff will do things differently”, so raising the “important issue of staff mentoring”.

Moving on from a shared perception of the need for “basic politeness”, respondents returned to a recognition that this would continue to be a demanding area for grant makers, and their wider reputations, notably “around the borderline decisions, where there has been no mechanistic rejection, and this (grant making) is an art not a science... still very difficult”. Key features in continuing contact and feedback generally were summarised as “discretion and proportionality”. As a reinforcement of earlier discussion, respondents also shared the view of the particular demands of the “decisions that are on the cusp of yes/no, still very good but still just not making it”. They stressed furthermore that both for this and other kinds of refusal, “it is important to remind ourselves that giving feedback is hard”.

Acknowledging the reputational risks issue around refusal

The feedback theme was also relevant in examination of the question of reputational risks to grant makers in relation to grant refusal, not least, for example, in giving “a reasoned and not a glib response” to requests for further information. Grant makers predominantly reported that “through contact with organisations such as funders’ forums there was not much evidence whatsoever of many complaints or senses of grievance”. On the contrary, one grant maker felt that it was “also arguable that the

recollection of when an organisation was given a grant by Trust X does last a very long time. Important to remember that good will as well as ill will “goes a long way and spreads in the grant seeking ‘market’.”

Whilst a minority of grant making organisations’ staff had experienced personal difficulties after grant refusal (for example being spat at), respondents agreed that this was essentially very rare indeed, notwithstanding that grant makers had a duty of care to their own staff under those circumstances. The issue of sensitive handling (and recognition of these situations) where refused applicants had major health problems was also raised. In a further example of where continuing requests for feedback on refusal had led to an expectation of “continuing dialogue”, one grant maker had experienced the case of an applicant trying erroneously to use the Freedom of Information Act “to discover the grounds” for refusal. Recognising this rarity, as well as lack of applicability to private grant makers, it was nevertheless felt that this might be likely to increase if and where applicants were unaware of the private charitable status of grant makers; hardly surprising “when some public grant makers act like or are in effect charities”. Paradoxically, the governance issues around refusal might create difficulties, albeit rare ones; with several grant makers noting that trustees can revisit their decisions. One example was given of “staff frustration when trustees went outside the criteria (for general areas of funded work) as an exception”. Although this was a “one off”, other organisations saw this, and sought funds for *their* work...”

Any suggestion that non public grant makers should have a kind of grant making ‘ombudsman’ was not favoured; with existing complaints systems needing to be sufficient to handle problems; although even then these could be seen just to prolong the agony as well as adding to the cost. In the last resort trustees going beyond their remit in a major way would be a matter of interest to the Charity Commission. Essentially, it was the issue of the private nature of grant making decision making, and its implications for decision giving that was central to the topic; and central to the opportunity for grant makers to reflect and decide on their own communications policies.

Focus Group 2: Eight members, two research team

The focus group transcripts were reviewed for content and themes; with findings around the following shared themes:

- A variable response to economic pressures, generally moving to retain giving levels where feasible, whilst enquiries (though not so much applications) rose, some of them “in desperation”
- Seeing “saying no” as part of the application process
- Differing rationales for refusals leaving the “saying no” system unaffected
- Recognition that grant seekers need to feel they have gained from applying but uncertain as to how far can be delivered
- Contrasting policy on retaining contact with refused grant seekers
- Recognition of and policy/practices for coping with reputational risk arising from grant refusal.

Economic pressures

This group reported considerable variations in the impact of the current economic climate on their grant making and grant making practice, varying from the fund which was relaunching its grants programme later in the year expecting to make fewer and larger grants, to the trust which was using its cash reserves to meet its current commitments, since its endowments had “taken a hit”. An underlying increase in pressure on grant makers, from resources stretch was shown, with one planning to reduce their grant programme size in the next two years, while others were dealing not with many more applications but many more enquiries. A further grant maker where applications had been rising, and some “applying in desperation” had “skipped a quarter” to closely review their grant criteria. A minority were not giving currently to unsolicited applications; and a further few were moving towards proactive targeting. Group members agreed with the view that “now is not the time to give up on grant giving”.

Seeing “saying no” as part of the application process

The majority used a two stage process, where the stage one process was predominantly managed solely by staff, and feedback was largely absent. Second

stage refusals were communicated by a range of staff, varying from a previously allocated grants manager, “who will possibly have visited them and spoken in person by telephone”, to a grant maker where “all letters of refusal are signed by the Director, in order to distance the decision from the grants team, who as part of the application process will have had a relationship with the applicant.” Whilst feedback was generally on offer at this stage, several grant makers reported that not many in fact returned for this. The single stage applications approach (including one informal, one page-request) placed emphasis on pre-application information, whether referring to the reason for decline listed on the website or encouraging telephone calls, along with a recent guidelines review.

Differing rationales for refusals leaving the “saying no” system unaffected

Exploring whether the professional or voluntary status of applicants was a factor in the ways in which refusal was communicated showed that the application source itself did not affect the refusal approach. Rather this included factors such as “the personal preferences” (of a family trust), the operation of due diligence at the assessment stage (only one grant maker referring to this specifically); and in one case, a concern for possible fraud (“sometimes a sign of fraud is how much has been ‘crow-barred’ in”). Participants found the distinctions made in US work on “saying no”, of the “categorical no”, the “policy no” and the “personal judgment no” not that clear cut. Again the role of site visits on the “no rationale” was unclear, not least because of variations in visit practice. One grant maker, for example, had at one time had pre-application visits, now discontinued as too resource intensive, others faced some geographical difficulties; and others used these only for “major bids”.

Recognition that grant seekers need to feel they have gained from applying but uncertain as to how far this can be delivered

Participants shared the view that their aim was to leave people feeling they had gained something from the experience of making an application but were both very variable in how they as grant makers delivered this, and expressed doubts about the extent of the value of refusal based feedback. Whilst one grant maker was active in telephoning, and signposting for advice sources (very commonly on support to develop business plans), another grant maker considered that “applicants don’t

expect anything from feedback”; whilst a further grant maker argued that “there is too much time needed for feedback, nobody really benefits; we don’t recommend other grant givers; we try to be clear to save everyone time.” Acknowledging that experience of the Lottery had to an extent changed grant seekers’ expectations – “swifter response, better experience” - the resource dimensions were also raised, nor were grant making staff “civil servants”. For one grant maker, this dilemma was encapsulated in the extent some applications were refused because of underlying organisational issues as well as the bid details: thus, whilst it was “good to try to help people improve their application but we can’t address the (needs of the whole) organisation...”

Contrasting policy on retaining contact with refused grant seekers

Since grant makers can benefit from better prepared grant seekers, it was recognised that “helping grant seekers” was an overall goal; however the directions which this could take were variable and in turn, the impact was uncertain. For example, whilst some grant makers encouraged seeking support from local CVSs, “who follows whether the advice was actually taken up?” Whilst one grant maker felt that “CVSs should come forward and promote themselves because seekers don’t know about them”, this was countered by the view that many CVSs “may not be available...since they are struggling for funding themselves.”

In recognition that some refused bids could “evolve”, two funders offered further but limited support from their grants officers, including one which offered a capacity building advisor for rejected applicants “who have potential and might come back later (for a) new programme”. One funder was in the process of returning to rejected applicants six to twelve months after the event, “this involves asking did they do the work anyway or get money from another course, so was the project OK? (We) are not trying to find out if the decision was wrong but if we can work with other funders in future.”

Recognition of and policy/practices for coping with reputational risk arising from grant refusal

The “disappointed grant seeker” who voiced dissatisfaction publicly was understood implicitly by all and explicitly by some as a potential source of reputational risk. For

one grant maker, the solidity of their processes was key: “we mitigate the risk by having clear guidelines and being consistent in our decision making... we have the advantage of being independent but we have to take care to protect the family reputation (for example) family members are sometimes approached directly but seekers are moved on to the staff.” For another, the nuances of too brief (if factual) refusals were recognised: “it sometimes sounds flippant if we say ‘it’s the trustees’ decision’.” Two grant makers cited their complaints procedures, which had been used by refused applicants; of these, one also reported that “because we’re small and local, small area, we get disgruntled, rejected grant seekers. We arrange meetings to counter this.”

7.2 Focus group findings with grant seekers

Focus Group One, seven members, two research team members

This focus group was convened with the help of the Small Charities Coalition with participants drawn its members.

Participants’ responses in the focus group transcripts were grouped thematically, as findings, under the following headings:

- The significance of and some difficulties associated with preliminary contact with grant makers
- The importance of applications being taken seriously (visits, establishing relationships)
- Concern and reflection on the “saying no” and the quality of feedback
- Identification of the kinds of learning that would be sought from improved feedback
- Handling the refusal at personal and organisational levels through a sense of detachment and understanding of context.

The significance of and some difficulties associated with preliminary contact with grant makers

The time issue was significant here with views on preliminary contact as both saving and wasting time for both sides: as one participant, who welcomed it, expressed it, “I don't like wasting my own time, why waste other people's?” However, another participant found such contact really lacking in much valuable guidance: “everyone says ‘write in and see’ but no-one gives an assessment of the real situation *for you* as an organisation with particular aims.” For some, a full pre-application stage (after which the grant seeker decides whether or not to go forward, modelled on some public grant makers’ practice) was seen to be welcome; as was the two stage process, where stage one was perhaps in effect the “preliminary contact”.

A point was made about having a shorter pre-application documents which would save effort and get to the point, another on “investing” in the initial stages to get a different response. Online application process was discussed with its pros and cons; notably where technology was either not disability friendly or limiting in the extent to which documentary changes could be made. For some participants this was especially disappointing, since “some grant makers... (are) not accessible for the very people they want to fund. We need a simpler process – pictures or something else...”

The importance of applications being taken seriously (visits, establishing relationships)

On visits from the grant maker, experiences were mixed with inconsistency present even within a single grant maker where it is down to the individual approach of the visiting person. Another reported a visit where the visitor did not really ask anything, making for further uncertainty when the application was then refused. A personal visit was still seen as positive by all respondents, pointing out that this is a relationship where a personal exchange and involvement are expected alongside the funding. Again inconsistency in the quality of support comes up with reference to outsourcing the assessment process to contractors that were described as incompetent. The “two camps” of grant makers, as seen by grant seekers were described, “those that want to give the money and those that try to hang on to it”, also with “a reluctance to be prescriptive in order to demonstrate power”. Whilst

consistency at this stage was valued, it was also recognised that complete uniformity was not feasible, even if this was a little unsettling, for example “for a large grant bid, the two people who came were quite different in their approach”.

The major difficulties here seemed to arise when visits were never on organisations’ agendas “it’s nicer when they come... and it's odd when someone gives you money and doesn’t come and visit...”, even as a precursor to refusal; and where organisations were only ever in the position of making unsolicited applications and had never been in the “invited to apply“ group.

Concern and reflection on the ‘saying no’ and the quality of feedback

There were some disgruntled responses about the communication from grant makers but this was more reflective (or hurt) rather than angry and disappointed. The “mixture of letter, email and nothing” was a cause for concern, yet there was also considerable sympathy with grant makers and *their* administrative overload (“I understand they get a hundred a day, that's a lot of time”). Demoralisation set in when “you've put effort in” and for some respondents a minimal response and feedback meant that the “process as a whole could be very isolating; it's like working in the dark...” Uncertainties following responding to earlier prompts from a grant maker added to the problems, for example, “we had a case of being encouraged to put in a request for more money than initially stated, and then questioned about why we did that.” In reflecting on the emotional investment going into the whole process and culminating in a no, one participant reflected on whether they “...take the process too personally”.

There was general disappointment with lack of feedback as the biggest source of frustration with some examples of specific grant makers who do give detailed feedback as exceptions to the rule; but others which did not with one participant reading out extracts from a sheaf of “bare bones” refusals. Grant makers which just sent the criteria again were seen as especially disappointing; but one rationale was in turn presented for this, that the decision itself could then be questioned. Reflections were made on the importance of feedback to learn from mistakes for future applications which would be beneficial for both sides. Gaining feedback was

the “investment” which a grant seeker gained when making a bid, as well as “being honest” about the chances of success, for example, applicant numbers. Overall a preference emerged for a front-loaded effort – i.e. far more information and guidance when the application process is starting, rather than putting this in the “we regret” letter.

Some expectations were also expressed that grant makers should be more explicit about amount of funding and allocation targets they have set: “If they are clear about what they are prepared to give for ‘the’, should be clear about the sum of money or small pockets so we have the picture...” Similar views were expressed, around the need for improved communications both about the total budget available and its distribution, for example, “how about ‘we want to make ten grants for x amount?’”

The group did not develop the responses typology, other than they recognise that for many the first aider model was often what they wanted; but that they may not be in a mood to accept “shoring up” advice. Moreover, in the last resort, the grant maker prerogative was clear, i.e. “they are private and don't have to sign up to any commitments or ways of doing it.”

Identification of the kinds of learning that would be sought from improved feedback

Again further reflections on the lack of feedback on whether the application failed due to limited funds, the nature of the project or the way it was presented in the application was described over and over as a lost learning opportunity: “Is it the way you wrote it, the project, or the limited funds? You can go on a course but you need to know; there is a need to learn from the refusal. You think you've met the criteria...” Participants grappled with what was meant by “constructive feedback” and “the truth”, whilst recognising that this aspect emphasised the grant makers' power and status: “the status this decision-making and decision giving gives them is important; it makes *them* important...”

Underpinning these concerns were the uncertainties that had not been resolved for the grant seekers, for example whether the grant maker they applied to preferred to hear from managers or fundraiser in bids, or how influential had been a small

organisation's inability to provide annual reports for more than three years. Nevertheless, this discussion ended on a positive note around the importance of relationship building with grant makers, even in negative circumstances, even if this was only a "thank you card" for the correspondence which had been exchanged.

Handling the refusal at personal and organisational levels through a sense of detachment and understanding of context

The shared recognition that refusal was a function of a number of variables also led to participants' general sense of "continuing to be involved and a sense of not giving up and being beaten down..." For one participant a sense of detachment and timing were critical: "There are so many variables, maybe we hit the wrong time in the budget cycle, or it was advertised at the wrong time. You have to detach yourself. I have a systematic approach to it, though always looking at different ways of doing things, testing out alternatives."

There were no clear views on the issue of going public with the refusal, with comments ranging from a vague awareness of reputational risks to the view that publicity is always good for the organisation; but no examples of such action. More positive practices would be an increase in the networking opportunities for grant seekers who were unlikely to be in direct competition because of their nature and size. Overall, the critical factor considered was the difficulty of working in isolation, starting from scratch or just not knowing who had got funded and why. A network of non-competitive grant seekers was itself challenging (to an extent mirroring the SCC itself); but in this setting it was felt that organisations would be prepared examples of their failed applications, as a further means of getting support from their peers, if not from grant makers.

Focus Group Two: seven members, two research team members

This focus group was convened with the help of Voice4Change England, with participants drawn from BME grant seeking organisations with national, regional and local bases.

The focus group transcripts were reviewed for content and themes; with findings around the following shared themes:

- Barriers existing in gaining preliminary contact with grant makers, with a sense of insider and outsider organisations
- A variety of experiences around what represented “helpful” contact and what might and should be available
- A uniform experience of a minimal-information refusal, and extensive critique of the limited or negligible feedback received
- Looking for grant seekers in this field to “drive the agenda” on funding priorities because of their own knowledge and experience base
- Differential experiences of grant makers’ wider post refusal help; seeking more rounded and sectorally knowledgeable support
- Clear preferences around information needs and feedback support that was in effect capacity building among grant seekers
- Shared emotional and organisational responses to grant refusal.

Preliminary contact with grant makers

Here, issues on policy and the general grants environment faced by BMEs were central. A point was raised on the importance of “selecting yourself” for available funding based on your core activities and principles. Reflections on the poverty of information grant seeking BMEs have beyond the local authority funding options were made, dependent on whether they were front-line (most informed) or grass-roots. There were widely shared views expressed on the challenges posed by language and culture differences in seeking contact and the need to tackle this lack of “fluency”. However, there was also reported inconsistency on the grant seekers’ side in dealing with this effectively. The sense of “It’s who you know and who you are” was strongly held as a trigger to gain funding; with, it was felt, a clear advantage for organisations which knew the “funding game” and had influence through contacts and reputation from the start of the process, so that they could get to “second base”. “The reason why you could get through from first base is that the organisation has a reputation, you may not be as fluent but (you are known to be) delivering great work on the ground.” (At the same time, some “courting” of grant seekers by grant makers,

on an invitation basis was reported.) Major expectations were however also placed on grant makers, with suggestions that they should be interactive, approach seekers and create spaces (e.g. focus groups) to inform “who is who”.

A variety of experiences around what represented “helpful” contact and what might and should be available

Acknowledging the critical differences between trusts and foundations, as well as between them and public sector grant makers, some participants felt that almost universal requirement to “go and look at the website and the criteria” could be “off-putting... since, even if simplified it doesn't help... and... You miss the human contact”. For some, the very existence of guidelines which were prescriptive meant that the intrinsic merits of a grant seeking organisation would not matter; and often this meant falling between funding stools and having to “rule yourself out from an application”. (The example was given of a grant maker with a justice programme that does not have within it a gender remit, so that women’s organisations could be seen to be outside it.) Paradoxically, invitations to approach funders implied that organisations knew how to do this and whom to contact: “My experience is not knowing how to approach funders, (it is) only after another organisation suggests a named person can you proceed... You only get through to reception, unless you know the name.” At this point, participants reported major differences between funders, for example those with staff who had “no confidence...especially when the person on the other end doesn’t have training.”

Preferred grant maker actions here included holding focus groups to talk about their project (funding) and what they want to achieve and generally being more interactive. Moving beyond the ignorance of trusts and funders who exist “beyond the local authority” was critical; although frontline groups were likely to be more aware, with prior capacity building to increase options. Large grant makers with relevant agendas for example could generally be “more public, hold public events, talk about their criteria and plans, and increase their own visibility”. Funders’ fairs, and discussions with potential grant seekers who themselves might also help. However, it was also stressed that “maybe” larger grant makers which wished to work with BME groups “would have to fund capacity building as part of the process (since) cultural differences coming across on paper.”

A uniform experience of a minimal information refusal, and extensive critique of the limited or negligible feedback received

A shared experience of a general lack of detail in refusal – if refusal is received at all – was reported. For example, “you just get a letter in the post, one or two sentences”, “a standard letter... no explanation of “why” or, “sometimes nothing”; in marked contrast to receiving “the phone call first if you have a nice relationship with the officer and have succeeded”.

Respondents were unanimous on the lack of quality feedback and missed learning opportunity, their experience in pestering for feedback “and the demoralising effect of that”, some taking this very personally. Expectations that giving reasons should be a standard practice, inconsistency should be tackled with “good practice” such as a feedback database. Thus, “having to ask for feedback is demoralising and discouraging, (you are) left to think that politically there is someone that doesn't like you. You don't learn how...” For some participants, the timing as well as the content of feedback was crucial; one made the suggestion of having feedback offered within fourteen days, whilst another found that whilst “You need to consistently ask for feedback, but ...by the time they get back it is flimsy just to get rid of you.”

There was evidence of confusion regarding evaluation criteria due to a lack of transparent processes and consistency in grant giving practices, with critical comments on “old boys’ networks” and contradictory reasons for “discrimination” against grant seekers. For example, where one participant had found that “If you push hard informally for feedback you find someone doesn't like the organisation.” Another had refusal feedback which indicated that the application was “very good, but others need it more whereas you can go [elsewhere for funding]... [so that they were]... discriminated against because they were good.”

A fundamental doubt that many grant makers were willing to focus in feedback at any depth was expressed, since “they are looking for a reason for you not going ahead, instead of telling you to fix the problem.” Some grant seekers however felt that their own priorities sometimes needed clarity also: “You need to decide where to put your resources – in a new application or chasing feedback and correcting.”

Looking for grant seekers in this field to “drive the agenda” on funding priorities, because their own knowledge and experience base

Regarding types of grant makers, a distinction was made between giving away money as opposed to relationship based funding. Here responsive grant makers were also cited, for example, those with whom a relationship had been built through earlier funding; and then “in a crisis we rang the second kind and they were keen to help, based on (our) good relationship.” A shared view was expressed however that organisations on the ground should be setting the priorities based on need which should be reflected in grant making criteria, not the other way around: “We should be driving the priorities for funding, we are on the ground. Charities and trusts aren't engaged.” In a reinforcement of this view, another participant stressed that “Trusts...need go back to where communities are, about finding the space beyond top-down priorities.”

Differential experiences of grant makers' wider post refusal help; seeking more rounded and sectorally knowledgeable support

Examination of the hypothetical response typology emphasised that at least having a ‘First Aider’ support would be welcome but this though not widely experienced. The exceptions included those grant makers which identified other possible funders, but this itself might have mixed motives, and its impact could not be tracked, for example: “I am not sure if it is helpful. It may be a way of being a socially responsible funder, don't want to close the door completely. But the barrier of language still exists – they need one to one help [and so] the tragedy [of repeated grant refusal]... is perpetuated.”

Grant makers suggesting alternative sources of grants were seen nevertheless as giving information, disseminating and networking support. Some favoured capacity oriented solutions, for example, support from other organisations with developing and making applications in the future rather than just another funder to approach. However, this assumed that the new contact was able to help, and not as in the case of the participant who reported of one grant maker that “they tell me to go to CVS, but even they don't have the capacity to do this. They don't know how to deal with application forms.” A general idea of funders “coming together” on the capacity building support for failed applicants was mooted but not described in detail. This

was associated with a wider call for trusts and foundations to create consortia to fill the gaps expected in government funding.

Clear preferences around information needs and feedback support that was in effect capacity building among grant seekers

Participants reflected on the identity of BMEs, their confidence and presentation to stakeholders. For one participant, even the taking part had been valuable: “Confidence builds up your experience. Using the unsuccessful application without feedback, change it a little bit, and got it in another trust.” Another respondent emphasised feeling “uncomfortable in a victimised way of presenting BMEs” and instanced an example of one leading foundation suggesting an approach to another funder, which turned out to be key.

They emphasised their expectation of grant makers being proactive – “more positive standard practice needed across all funders... providing surgeries and workshops on application processes. Nevertheless, grant seekers were seen by one participant as being competitors, including in the area of building up good relationships with grant makers. Moreover, “there will be more actors in the future, but funding the kind of projects which will be sexy; children’s issues, not refugee, asylum, and race issues.”

Good experiences with grant makers were emphasised, around grant makers which “took a leap of faith” with one organisation; or the surprise of one organisation which had applied for two-year funding, to find that the grant maker “wanted to fund us for three years instead”. Contrasts were made with open and closed/specialist programmes, with latter having invitations to apply. Here “refusals are ok if the relationships are solid, they cannot fund every time. They will be there next time.”

Shared emotional and organisational responses to grant refusal

Here respondents revisited the issues of confidence, skills and capacity of BMEs as well as criticism of a lack of transparency of among some grant makers’ criteria. One participant’s response to refusal was to continue “to be a pain and constantly push” while another was deeply aware of “BMEs’ lack of ability to negotiate, the skill to do that requires change of culture, skills gap in presentation”. Whilst some participants talked about the reverse case of grant seekers needing also to “guide” grant makers

(for example consultation over criteria), or even “auditing their practice”, others stressed that there was no need to be critical of grant making charities and trusts but to be “constructively challenging”. The nature of the shared or not shared language and dialogue was a final recurring theme, for example, where “charities and trusts mirror government strategies and language and have put it into their (grant making) priorities. I am concerned that they will become the same and constrict us further.” Here the grant maker grant seeker dialogue was needed to be continued at leading and grass roots levels.

SUMMARY OF FINDINGS FROM THE QUALITATIVE RESEARCH

Grant Seekers’ Individual Interviews: Thematic Findings	Grant Makers’ Individual Interviews: Thematic Findings
<ul style="list-style-type: none"> ▪ High value given to “preliminary contact”; also seen as part of the wider dialogue on grant makers’ and grant seekers’ respective roles, and of cross-sectoral networking ▪ Marked variations in experiences of the directions and forms of decision-giving, from warm to cold, from standardised to personalised, from fast to slow or absent ▪ A widespread and continuing search for timely, tailored and crafted feedback from grant makers on the refusal rationale; largely absent or thin but where present welcomed as part of professionalism ▪ Recognition of the often severe negative emotional impacts of grant refusal, their effects on further applications and on intra-sectoral relations; whilst at the same time, not pretexts for organisations to “throw fits” ▪ Uncertainty on the value of increased openness not only “who got what”, but who did not receive’, together general opposition to going too public (or public at all) on grant refusal. 	<ul style="list-style-type: none"> ▪ Recognition of a considerable range of communications approaches, highly tailored to the needs and operating rationales of the particular grant maker, from early open conversations to complex two stage application models, all affecting refusal stage as well as form ▪ The equivalent differentiation of communication at refusal, a function of people and other resources availability, board roles and of concern about being misunderstood; with subsequent proactive contact largely unlikely ▪ Uncertainty as to the range of organisational responses to refusal from grant seekers, reporting general civility in exchanges and negligible adverse external coverage, linked to perceived fairness in their process ▪ Lack of agreement about the grant makers’ role in organisational learning for grant seekers, with offers of clarity more prominent than specified learning support ▪ Identification of a range of promising or helpful practices in refusal communications, whilst no commitment to a “model approach”.

<p>Intermediaries, Supporting Grant Seekers' Individual Interviews: Thematic Findings: Majority Findings INTERMEDIARIES, SUPPORTING GRANT SEKEERS ' INDIVIDUAL INTERVIEWS; THEMATIC FINDINGS: Majority findings</p>	<p>Intermediaries, Supporting Grant Seekers' Individual Interviews: Thematic Findings: Minority findings</p>
<ul style="list-style-type: none"> ▪ Recognition of the “no win” situations faced by many grant makers, noting the existence of poor quality proposals and the difficulties of who takes responsibility for these ▪ The variety of attitudes among grant seekers towards getting and acting on feedback, with some uncertainty about learning posed through the very varying organisational timescales ▪ The often unrecognised challenges of internal communications for grant seekers, when telling colleagues and volunteers about their lack of grant success, including morale questions, fundraisers' shielding organisational colleagues or a signal for wider organisation decisions ▪ The undoubted negative emotional responses that grant refusal may provoke, emphasising senses of surprise rather than entitlement ▪ The effects of organisational subcultures and issues of managerial styles (for CEOs) – a “personal style puzzle” - in grant seekers' responses. 	<ul style="list-style-type: none"> ▪ Grant seekers' concerns that grant makers would share the news of their failure with others, and/or that news of their failure would be leaked ▪ Grant seeker learning marked in some organisations where in rapid adjustment of subsequent bids in the pipeline ▪ Lack of willingness among some grant seekers to fully accept their highly competitive environments ▪ The implications for grant seekers in applying to grant makers where funding interests were very wide and general, rather than clearly tailored to their work.
<p>Focus Group Interviews: Grant Seekers (I)</p>	<p>Focus Group Interviews: Grant Makers (I)</p>
<ul style="list-style-type: none"> ▪ The significance of and some difficulties associated with preliminary contact with grant makers ▪ The importance of applications being taken seriously (visits, establishing relationships) ▪ Concern about the quality of the “saying no” and the quality of feedback ▪ Identification of the kinds of learning that would be sought from improved feedback ▪ Challenges of handling the refusal at personal and organisational levels through a sense of detachment and understanding of context. 	<ul style="list-style-type: none"> ▪ Awareness of the current economic constraints putting donors under scrutiny as well as those seeking funds ▪ Challenges in refusal when former closeness between grant maker and grant seeker is tested ▪ Supporting credibility of mixture of communication models for “saying no”, in the context of the applications process ▪ The importance of presenting coherent reasons for refusal, linking to the dilemmas posed by the nature and degree of “feedback”. ▪ Acknowledging the reputational risks issue around refusal, notwithstanding the private nature of grant making decision making.

Focus Group Interviews: Grant Seekers (II)	Focus Group Interviews; Grant Makers (II)
<ul style="list-style-type: none"> ▪ Barriers existing in gaining preliminary contact with grant makers, creating sense of insider and outsider organisations ▪ A variety of experiences around what represented “helpful” contact and what might and should be available ▪ A uniform experience of a minimal – information refusal, and extensive critique of the limited or negligible feedback received ▪ Looking for grant seekers in this field to “drive the agenda” on funding priorities, because their own knowledge and experience base ▪ Differential experiences of grant makers’ wider post refusal help; seeking more rounded and sectorally knowledgeable support ▪ Clear preferences around information needs and feedback support that was in effect capacity building among grant seekers ▪ Shared mainly negative emotional and organisational responses to grant refusal. 	<ul style="list-style-type: none"> ▪ A variable response to economic pressures, generally moving to retain giving levels where feasible, whilst enquiries (though not so much applications) rose, some of them “in desperation” ▪ Seeing “saying no” as part of the application process ▪ Differing rationales for refusals leaving the “saying no” system itself largely unaffected ▪ Recognition that grant seekers need to feel they have gained from applying but uncertain as to how far this can be delivered ▪ Very variable policy on retaining contact with refused grant seekers ▪ Some recognition of and policy/practices for coping with reputational risk arising from grant refusal.

8. The Survey Stage: the Description of the Samples and Findings

The final stage of the study explored the experiences and communications challenges of grant refusal faced by grant makers and grant seekers through the means of two surveys. These were sent respectively to grant maker and grant seeker membership bodies, on a purposive basis. The rationales for this stage were to further understand the operational decision-making and organisational contexts in which grant refusal is taking place; to do so incorporating key perspectives on grant refusal communications which had been raised in the qualitative stages; and to explore the extent of differentiation among grant makers in their policies and practices relating to application management (including refusal) processes, and as experienced by grant seekers.

Both surveys were conducted online in October 2010 using the SurveyMonkey questionnaire tool³. The first survey was completed by representatives from organisations that award grants (grant makers), as members of the Association of Charitable Foundations (ACF). The second survey was completed by representatives from organisations that apply for grants (grant seekers); with participants recruited via three umbrella bodies: Bassac, the Small Charities Coalition and NAVCA. Questions for both surveys were developed drawing on the content of earlier focus group and interview findings. The grant maker survey content is set out in the analysis of survey results, below. Pilot versions were trialled with six grant makers and eight grant seekers, (independent of the focus groups' membership) and contacted through Cass Business School's MSc Grantmaking, Philanthropy & Social Investment and MSc Charity Marketing and Fundraising programmes.

³ See www.surveymonkey.com.

8.1 The grant makers' survey: description of the sample

From the ACF organisations' membership invited to take part, One-hundred-and-seven responded and eighty-eight completed the survey; a relatively high response rate of around 30%, based on ACF membership of three-hundred and assuming one respondent per organisation. This description section and the following section on findings are based on the final sample of eighty-eight respondents.

8.1.1. Summary of the main characteristics of the sample

Of the survey respondents from eighty-eight organisations in ACF membership:

- The majority indicated that their organisations operated at local and/or regional level. Just over half operated at the national level and a quarter internationally. A quarter also operated at more than one level
- Over half of the sample reported annual grant expenditure of more than £500,000. There were eleven cases of grants totalling over £5 million; so that one eighth of the respondents came from large grant makers
- The median average typical grant awarded was small (up to £10,000) but four respondents indicated the typical grant to be worth over £100,000
- The largest single group of organisations, thirty-seven, had an open application process, using general criteria; closely followed by twenty-seven organisations operating a mixture of open applications, with general and specific criteria. Eighteen organisations made grants via targeted invitations, using specified programme criteria. Grant making solely through solicited applicants was undertaken by five organisations
- The overwhelming majority (seventy-four organisations) employed between one to five salaried staff managing grant making programmes. Among the remaining organisations, one reported the employment of over fifty staff, and one reported no salaried staff employment at all, with grant processes undertaken by volunteers
- Nearly all respondents awarded grants to registered charities. Over half also awarded grants to other not-for-profit organisations and roughly a quarter of respondents reported that individuals also received their grants.

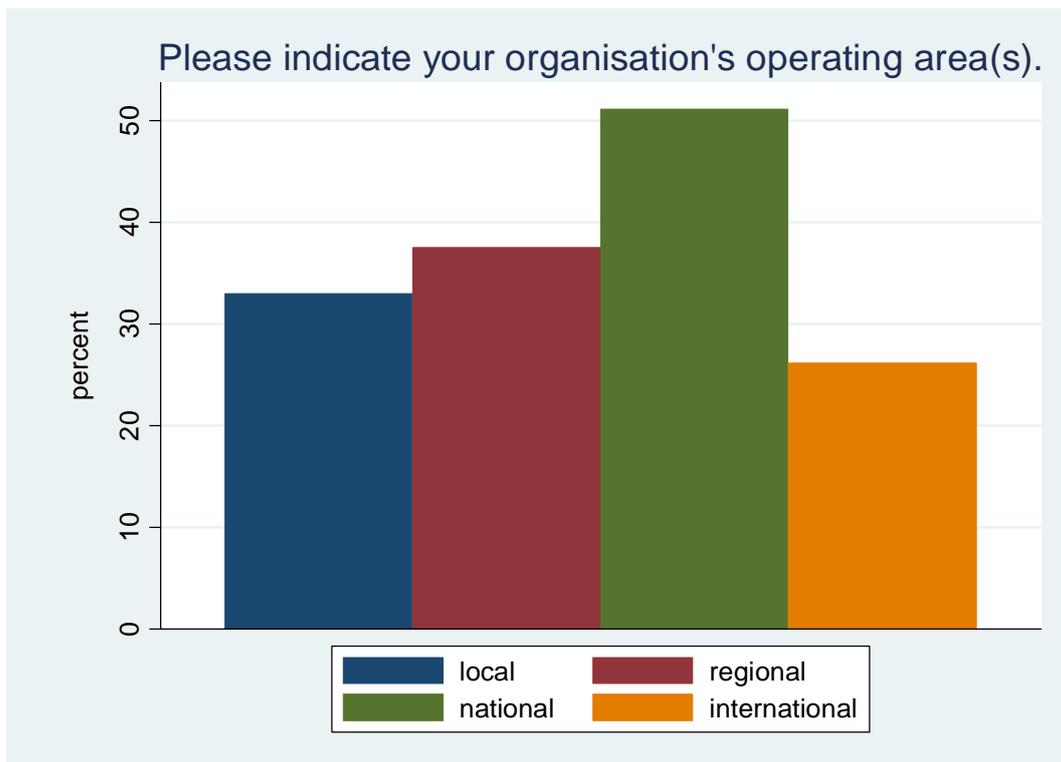
8.1.2. The description of the sample, Figures 1-8

This section provides the description of the responding grant maker organisations, from a series of perspectives: areas of grant making operation; total annual expenditure on grants and typical grant size; the approach for funding contact made to grant seekers; the style of approach by size of grant; numbers of salaried staff employed on grant making programmes; and the types of organisation in receipt of grants. Taken together, this descriptive data provides an accompanying snapshot to the findings of refusal practices. More importantly, each of these perspectives were aspects of grant making organisational “life” raised as relevant to grant refusal communications at the interview and focus group stages. For example, where a grant maker emphasised lack of staff availability as a key factor in minimal feedback, or stressed link between being local themselves and supporting local organisations with feedback; where a grant seeker felt that their funding application was insufficiently large to attract feedback or detailed consideration, or that organisational type experienced different kinds of communication and post-refusal support.

Grant makers’ operating areas

The majority of respondents (sixty-two out of eighty-eight) indicated that their organisations operate at local and/or regional level. Just over half of the respondents reported operating at national level and a quarter at international level. There were twenty-six cases where the organisation operated at more than one level. These results suggest that the sample reflected grant making at all geographical levels, with a good representation of each; and not unduly dominated by national-level grant makers.

Figure 1



Number of responding organisations: 88

Number of organisations in research population: 300

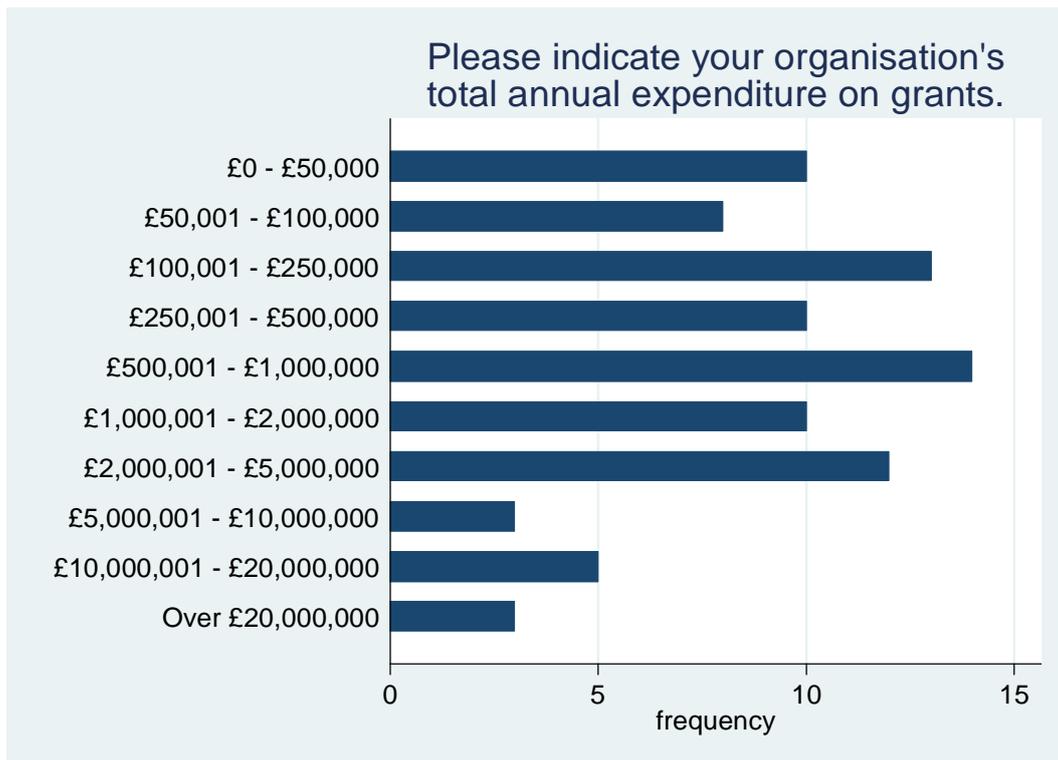
Respondents were also asked to define the subsector(s) in which they award grants. A wide range of causes were supported and many organisations funded multiple subsectors in unique combinations. A full list of grant making subsectors reporting by responding organisations is shown in Appendix 3.

Organisations' total annual expenditure on grants and typical grant size

The grey literature varies in its expectations of the ways in which, if any, size of grant making portfolio makes a grant maker more or less likely to be well attuned to the disappointments and challenges of grant refusal. Both larger and smaller grant makers are held by some to be distant and un-engaged; but also by others to be particularly responsive. This question reflected grant seekers' varying perceptions about the relative importance of their refused application in relation to overall grant making size and about the possibilities of supportive practice having some, mostly unspecified, link to the size of grants made overall.

Regarding the size of organisations, over half of the sample reported annual grant expenditure of more than £500,000, with eleven out of the eighty-eight reporting annual expenditure on grants totalling over £5million (Figure 2). The median average typical grant awarded was small (up to £10,000) but four respondents indicated the typical grant to be worth over £100,000 (Figure 3).

Figure 2

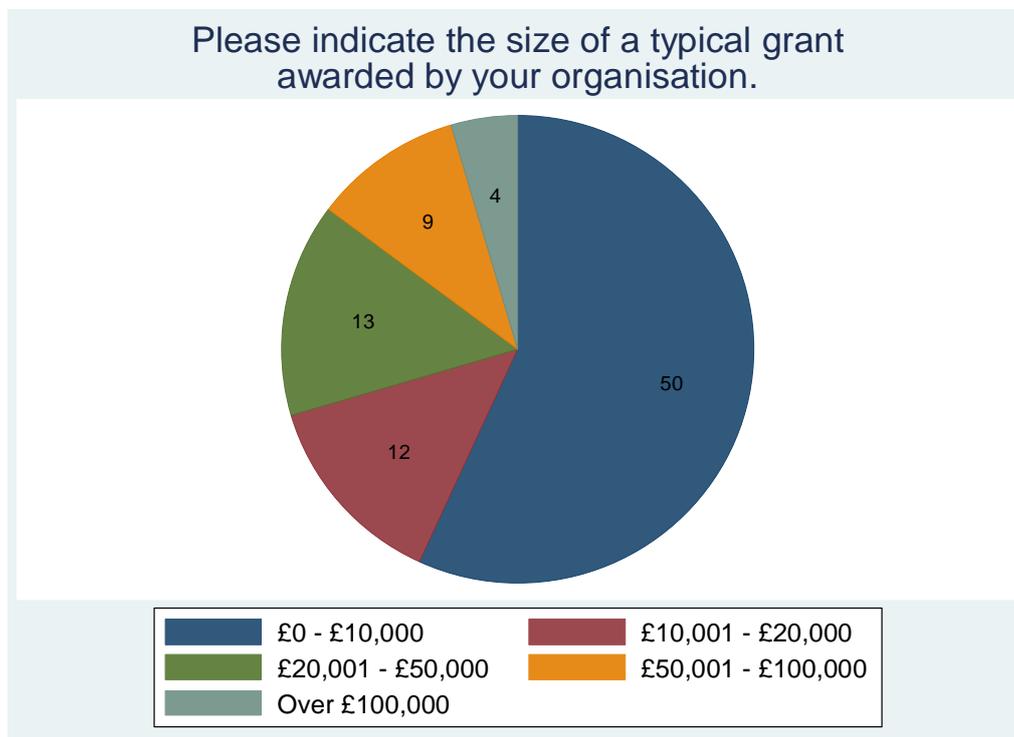


Number of responding organisations: 88

Number of organisations in research population: 300

Although these responses suggest a useful spread by size of programme, with eleven of the eighty-eight in the “over £5million” category, that one eighth of the study reflected the responses from large grant makers.

Figure 3



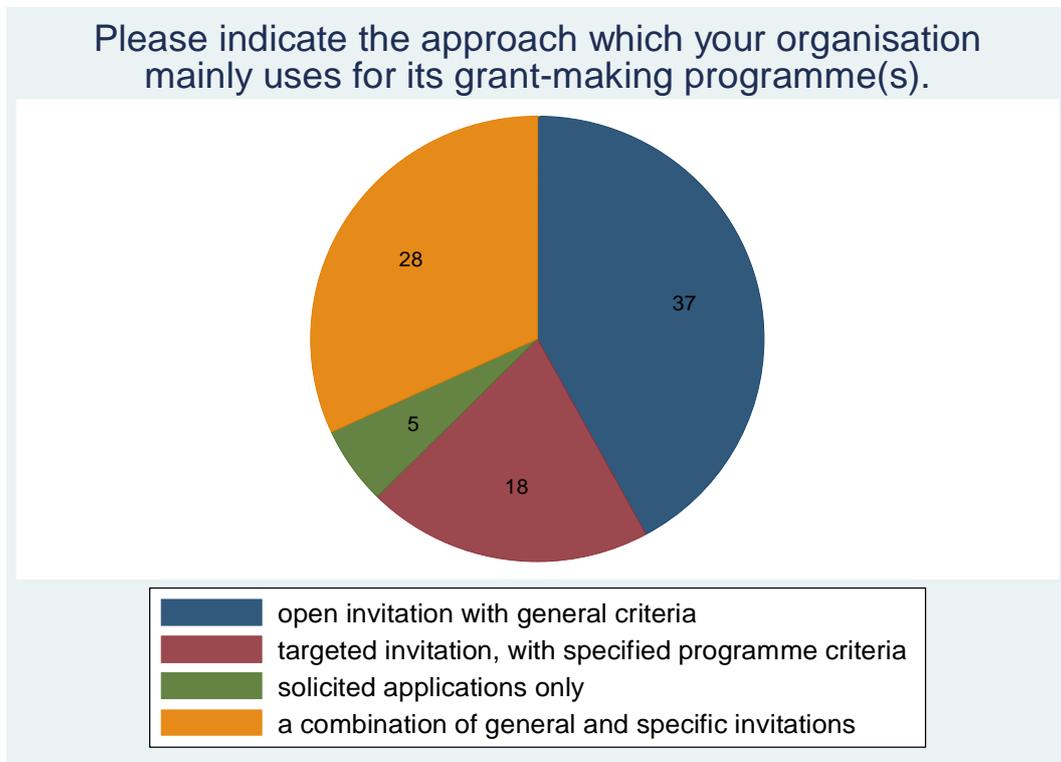
Number of responding organisations: 88

Number of organisations in research population: 300

Grant makers' main approach to receiving applications

The majority of respondents in the earlier research stages had considered grant refusal in the context of open rather than targeted or solicited applications, whilst recognising that refusal in the two latter cases was also problematic. This question sought to assess the balance of the respondents' practice in this respect, depicted in Figure 4. This shows that most organisations in the sample either took an open invitation approach, basing their decisions on general criteria, or they worked with a combination of general and specific invitations. The former approach was especially prevalent among the organisations awarding smaller grants. Those few organisations that awarded particularly large grants (over £100,000) tended to solicit applications from their grantees.

Figure 4



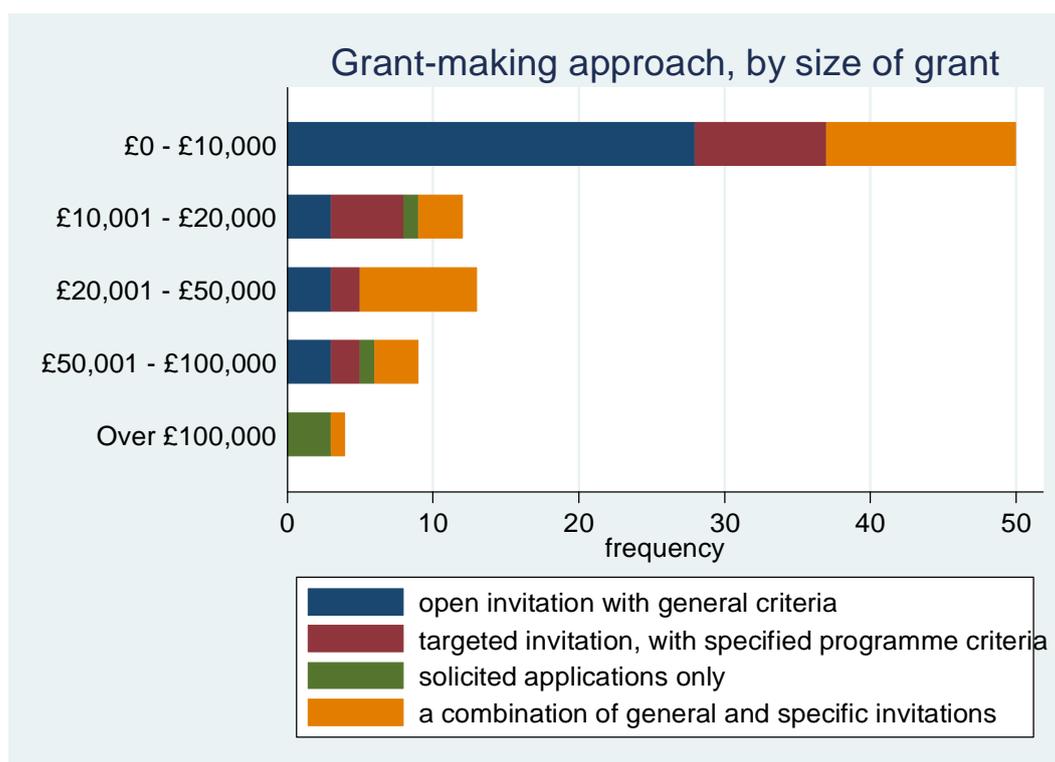
Number of responding organisations: 88

Number of organisations in research population: 300

Here, the majority of respondents had an open application process; probably reflecting the degree of bias in the survey towards smaller, grant makers, in terms of typical grant size. The open process is then likely to lead to a need for further filtering mechanisms for applications, higher refusal rates than for solicitation or targeting and place demands on communications. The very small number of grant makers dealing only with solicited applications reflected the relatively small number of large grants reported.

Figure 5 denotes the combination of the variables in Figures 3 and 4 (size of typical grant awarded and invitational approach to receiving applications), to emphasise that smaller sizes of grant making were dominated by open invitations (where earlier findings had suggested that there was the greatest challenges in communications).

Figure 5



Number of responding organisations: 88

Number of organisations in research population: 300

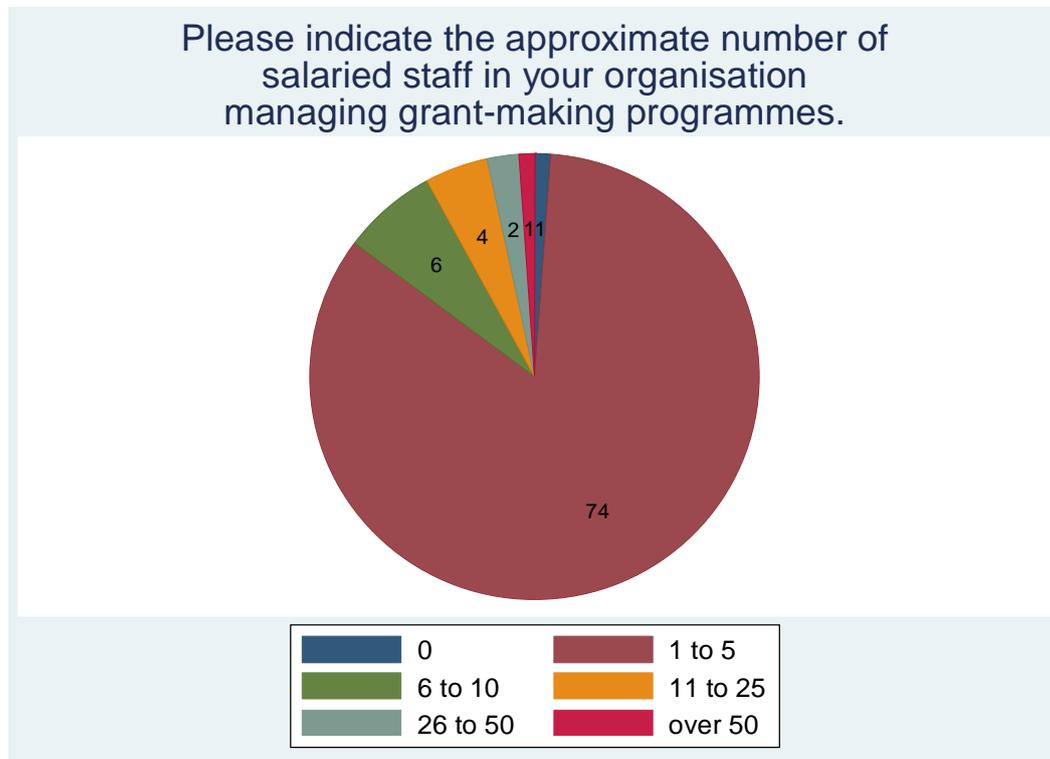
Salaried staffing on grant making programmes

The designation or availability of staff to support the grant applications process generally, as well as the management of refusals, and the respective pressures on staff time and expertise were raised as barriers to further developing (or initiating) grant refusal communications practices by a considerable number of grant makers and by some grant seekers also in the qualitative stages of the research.

Figure 6, below shows approximate staffing numbers in the eighty-eight organisations. The finding is unsurprising, with small numbers of employed staff very much predominating. However, the choice of the one to five staff banding means that there are too many respondents in this category, which insufficiently differentiates the sole-worker from the remainder. In retrospect this banding does not seem to have been a useful categorisation. While the majority of organisations represented in the survey employed between one and five people in their grant-making programmes, the larger a typical grant, the larger the grant-making team (Figure 7). Again, the association between grant size and the number of people employed in

grant making is not surprising. On the whole smaller organisations make smaller grants; although there are cases where small organisations focus their interest on one or two large grants.

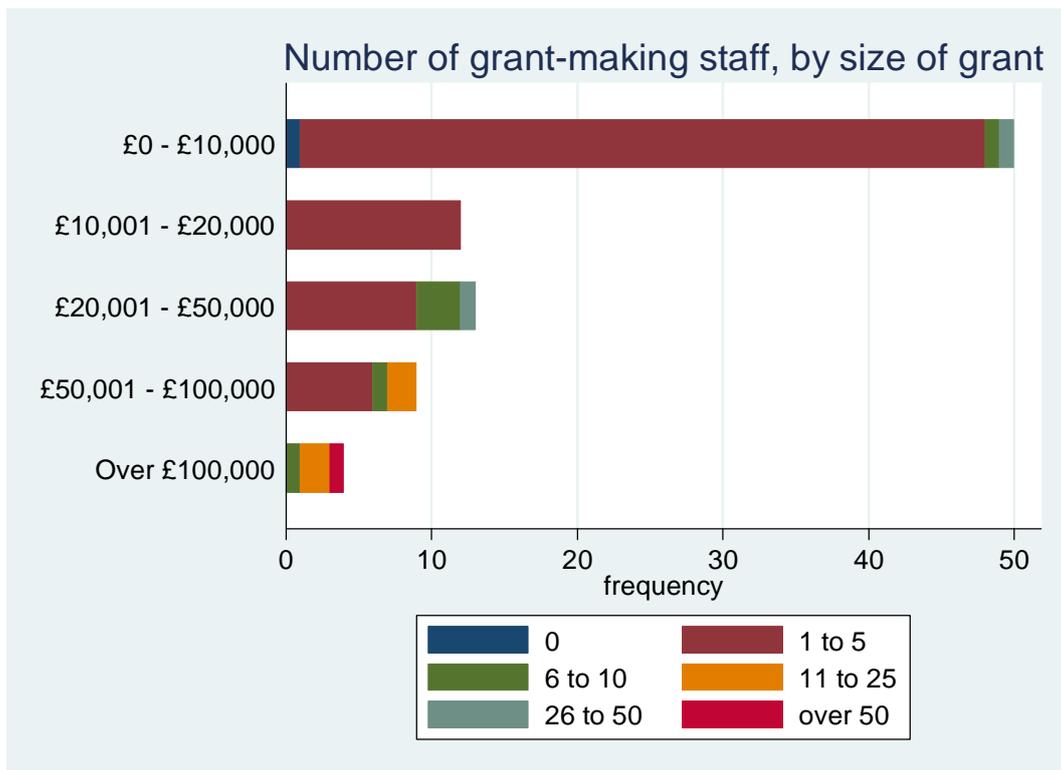
Figure 6



Number of responding organisations: 88

Number of organisations in research population: 300

Figure 7



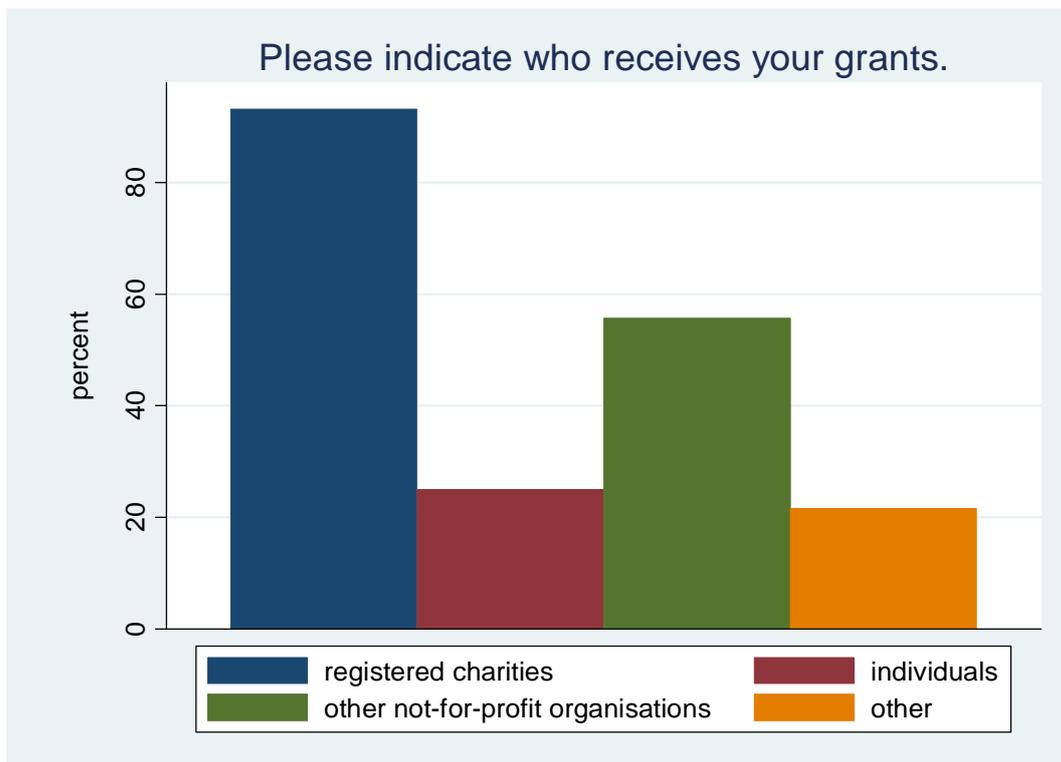
Number of responding organisations: 88

Number of organisations in research population: 300

The breakdown of grant recipients between charities and other organisational types

In addition to considering the grant makers' operating areas in terms of subsector or causes, discussed above, the survey sought to establish the relative prominence of charities and other recipient types. (All the organisational interviewees, individually and in focus groups, had been from registered charities, which may have been a narrow pool of recipients or highly reflective of grantee type.) Respondents reported (Figure 8) that nearly all of them awarded grants to registered charities, but a breadth of approach was seen in the findings, where over half also awarded grants to other not-for-profit organisations and roughly a quarter of respondents reported that individuals also receive their grants. Occasionally, private companies would also receive grants.

Figure 8



Number of responding organisations: 88

Number of organisations in research population: 300

It seems useful to note in this context that since many grant makers may be using charity registration as a *de facto* criterion of eligibility or even for due diligence purposes, the openness to other types of applicants is likely to further complicate decision and communication processes.

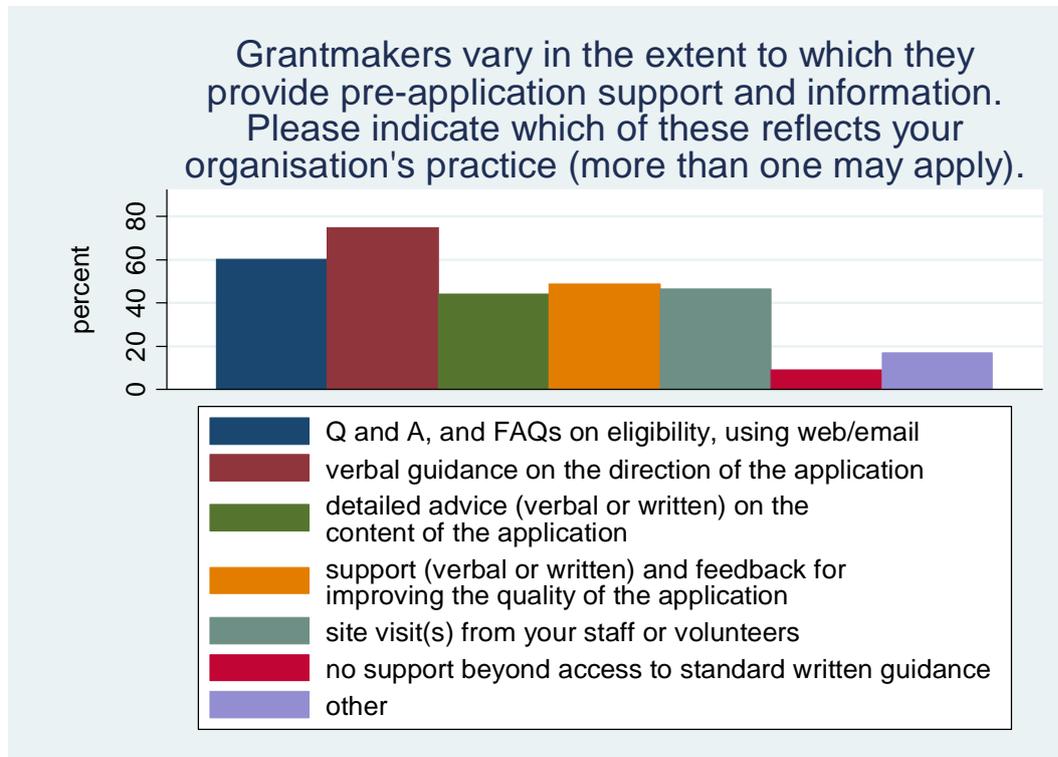
8.2: The grant makers' survey: findings

This section presents the findings from grant maker respondents, in response to questions regarding application and refusal processes which were held to be critical elements in the preceding individual and focus group interviews.

Most grant makers reported offering some form of pre-application support to their applicants, the most common forms being F.A.Q.s by internet/email and verbal (telephone) guidance on the direction of applications. Over 40% organised site visits from staff or volunteers. (Figure 9) Only 9% (eight out of eighty-eight organisations)

reported that they provided “no support beyond access to standard written guidance”.

Figure 9



Number of responding organisations: 88

Number of organisations in research population: 300

The qualitative study indicated that pre-application support was particularly valuable in helping avoid ineligibility problems among applicants and was generally thought valuable in raising the quality of applications. It was found at this stage that of those organisations that made pre-application support available, a majority provided this through senior members from head office (Figure 10). Only a few respondents (five) reported that “other volunteers” were responsible for this. That this was seen, albeit by a small number of organisations, as a role for the chair of trustees may reflect the practice among some grant makers in which trustee boards take a highly dominant, detailed or even sole role in application decisions.

Overall, this may indicate that where pre-application support is provided, it is seen as both important and requiring careful handling, to ensure an appropriate balance of encouragement and information, and to avoid misunderstandings about the

demands of application or heightened expectations about the likely outcome. However, there was also a wide range in the way in which this was approached (Figure 9); and with the second most used means, the availability of Q and A or F.A.Q. documents often tending to maintain distance and preclude human interaction.

Figure 10



Number of responding organisations: 88

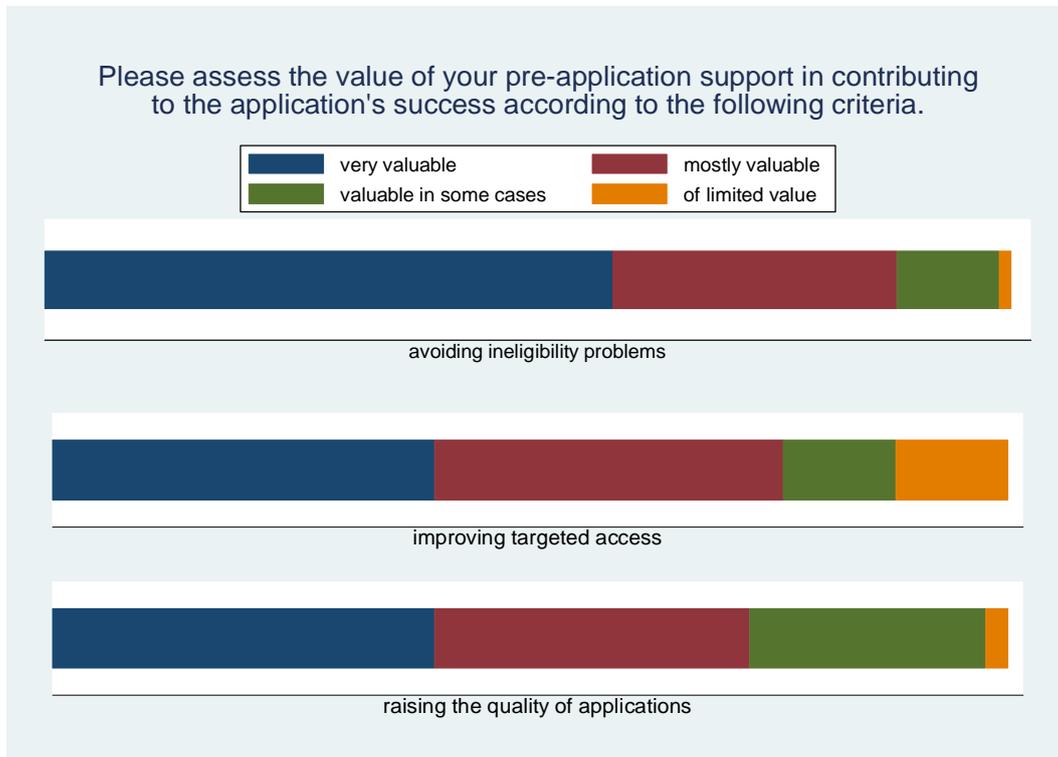
Number of organisations in research population: 300

Interviews with grant makers had previously flagged the value of pre-application support to help clarify eligibility. In the survey, a majority of respondents (seventy-five organisations) were supportive of its role in avoiding ineligibility problems - an important but arguably the most technical (and possibly not that demanding) kind of support (Figure 11).

Respondents were also generally supportive of its role in helping ensure access to the kinds of organisations which the funding was most intended. Whilst responses were more varied in their assessment of its link to raising the quality of applications (Figure 11, with this being seen being only of “valuable in some cases” by twenty-

one organisations, only two organisations reported its role as being “of limited value”.)

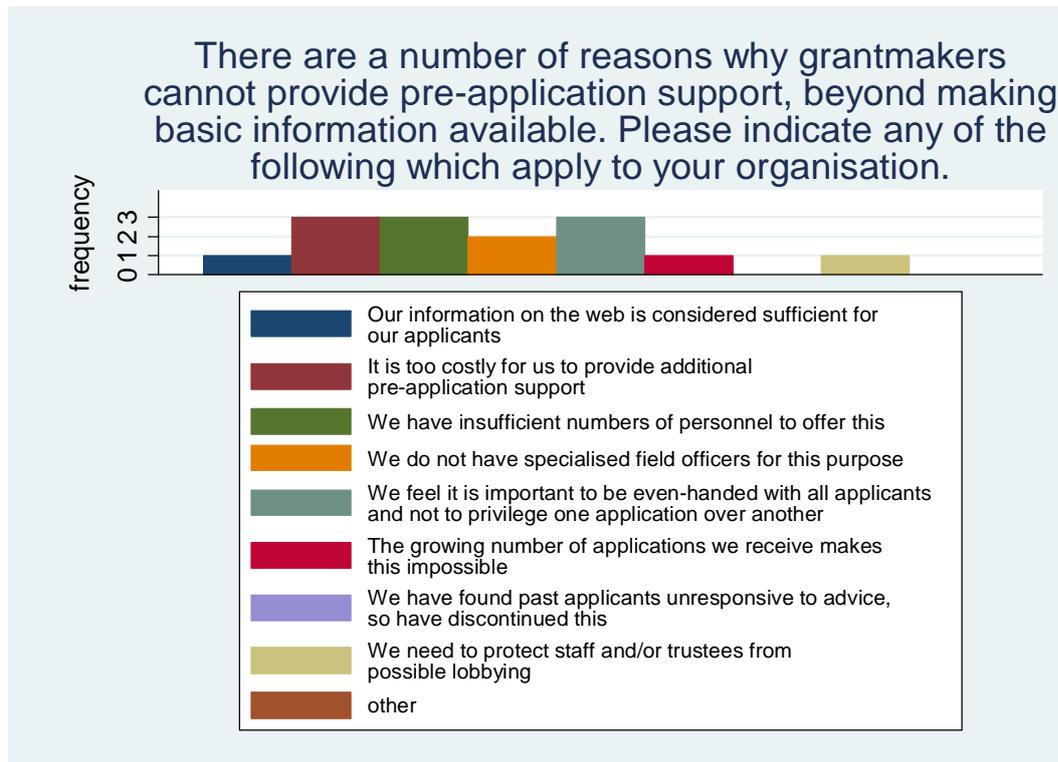
Figure 11



Number of responding organisations: 88
Number of organisations in research population: 300

The reason for limiting pre-application support, whether seen as major barriers or a work in progress or entirely reasonable by some grant seekers, was a focus for the qualitative work. Figure 12, below, sets out the rationales for such limitation, as seen by respondents, with relative prominence being given to three in particular, the “too costly” case, the lack of people and the importance of even handedness among applicants.

Figure 12



Number of responding organisations: 88

Number of organisations in research population: 300

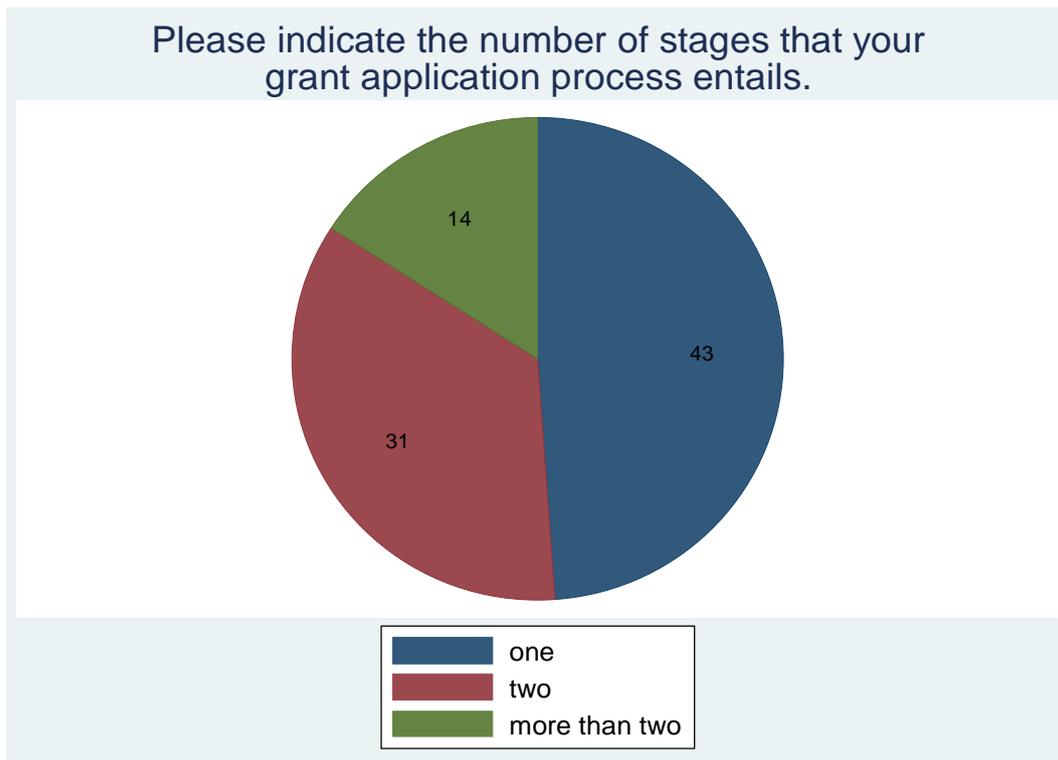
The wide spread of responses to this question indicates that this is a complex area for grant makers. The responses may be seen as simply the tip of the iceberg of demanding policy as well as operational issues, related to costs, fairness, refusal rates and effectiveness.

Figure 13, below, indicates the stages involved in the grant application process for the sample. This question stemmed particularly from the interest shown in the qualitative study by those grant seekers who valued two stage processes, either because a first stage was unlikely to demand very extensive work, so that if refusal came it was less likely to be against a background of an immense effort; or because a two stage process could offer an opportunity to improve their proposals. Respondents' organisations however divided almost equally between those operating a single system, and those operating a two stage or multiple stage approaches. (Since the survey did not ask for details of what was going on in each

stage of the application process, it is not known whether and where respondents regarded solicitation as one of the stages.)

As might be expected, organisations that awarded larger grants tend to implement multiple application stages (Figure 14).

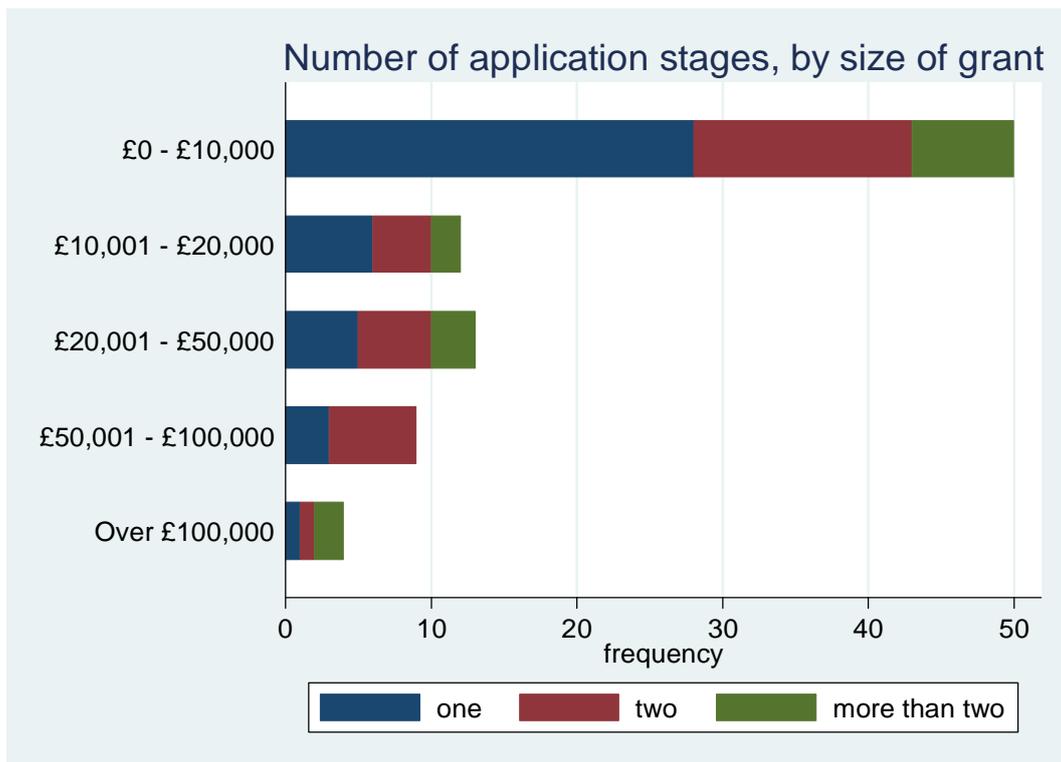
Figure 13



Number of responding organisations: 88

Number of organisations in research population: 300

Figure 14

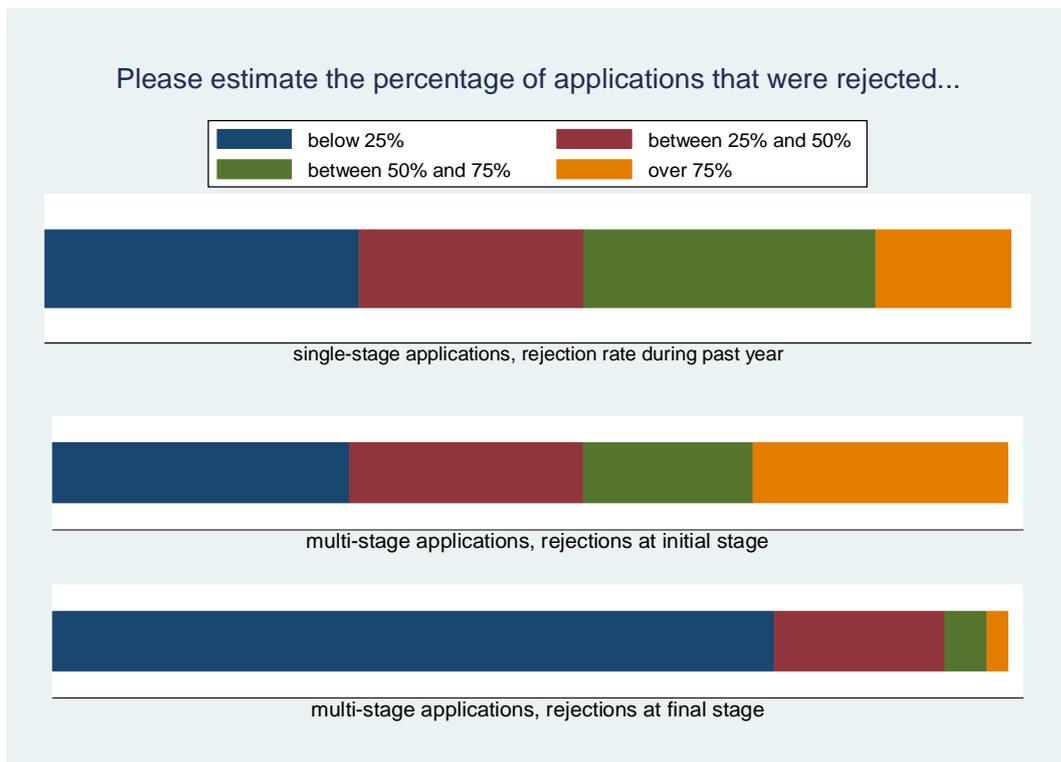


Number of responding organisations: 88

Number of organisations in research population: 300

Figure 15 explores the percentage of rejections, in the single, two and multistage applications processes. Whether a grant making organisation offers a single stage or a multistage application procedure could be a function of the application process and the proportion of applications it has to reject. In only six out of forty-three cases of single stage procedures did the respondent report rejecting over 75% of applications. This was more common among organisations that operate a multistage procedure, with twelve out of forty-five cases reporting rejecting over 75% of applications at the first stage. The first stage in a multistage application procedure seems to be an effective filter as in the majority of cases (thirty-four out of forty-five), below 25% of applications were reported to be rejected at the final stage. This last point may occur possibly also because of solicitation – which may indicate something about the effectiveness of solicitation in this context, as opposed to open processes.

Figure 15

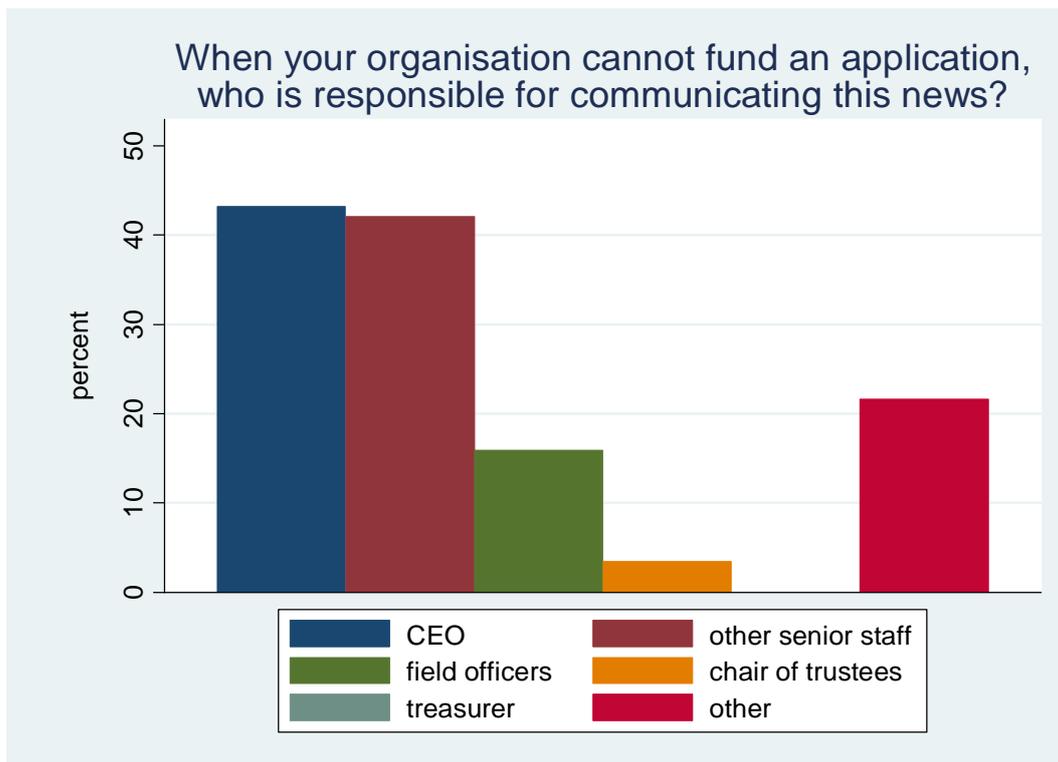


Number of responding organisations: 88

Number of organisations in research population: 300

Figure 16 presents information on the “bad news bearer” among grant makers; an area of concern among some grant seekers in the qualitative survey, who were less happy with the news conveyed by junior staff members, but who varied in their preference for formality and informality. In most cases, respondents reported that their CEO or other senior staff within the organisation took responsibility for communicating the refusal of an application.

Figure 16

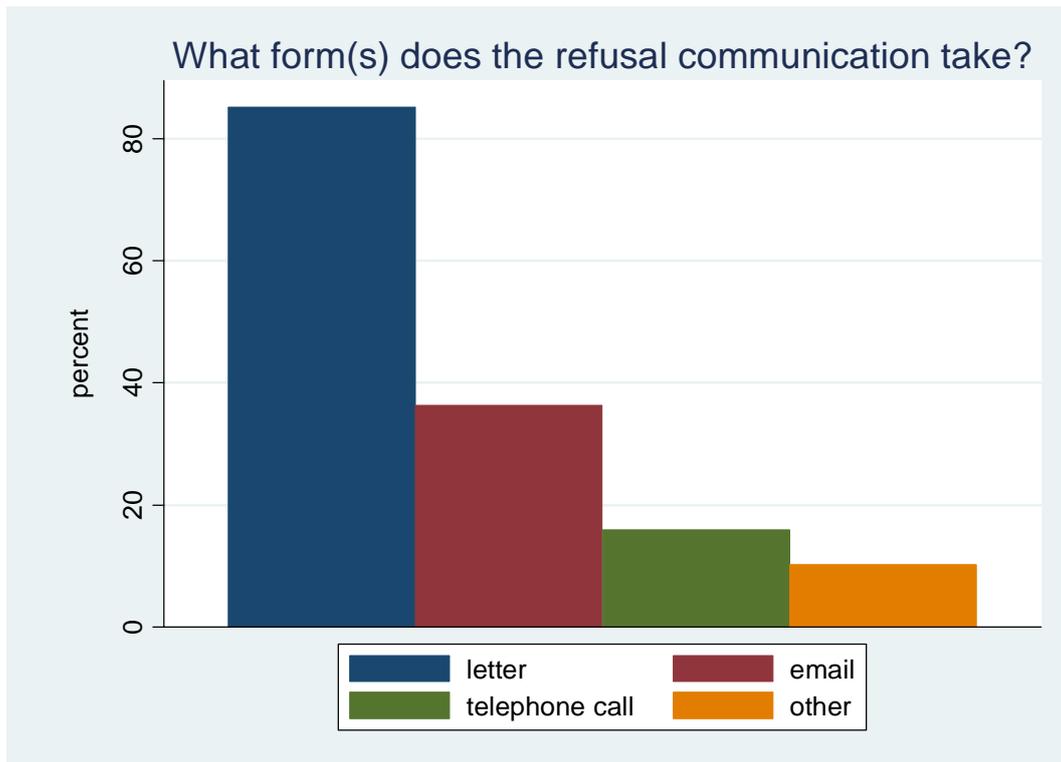


Number of responding organisations: 88

Number of organisations in research population: 300

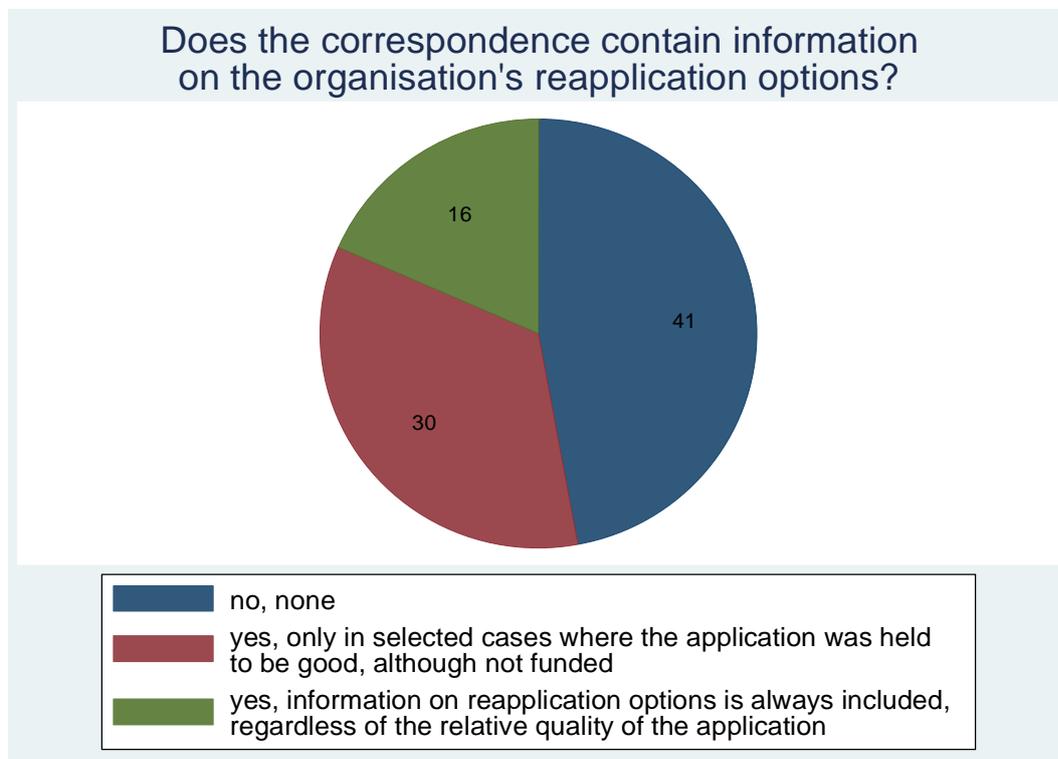
Figure 17 shows that a formal letter is the most common means of communication. Of the nine respondents selecting “other” form of communication, five stated that their policy is sometimes not to communicate a rejection; with these tending to be organisations providing smaller grant levels. The lack of information concerning reapplication options was a matter of concern for some grant seekers. Figure 18 shows that just over half the respondents reported supplying information on reapplication options, although divided between those who restricted these to selected cases (sixteen organisations) and those that always included this sought after information (thirty organisations); for this question, one respondent did not complete a response, hence the organisations’ numbers of eighty-seven in this instance.

Figure 17



Number of responding organisations: 88
Number of organisations in research population: 300

Figure 18

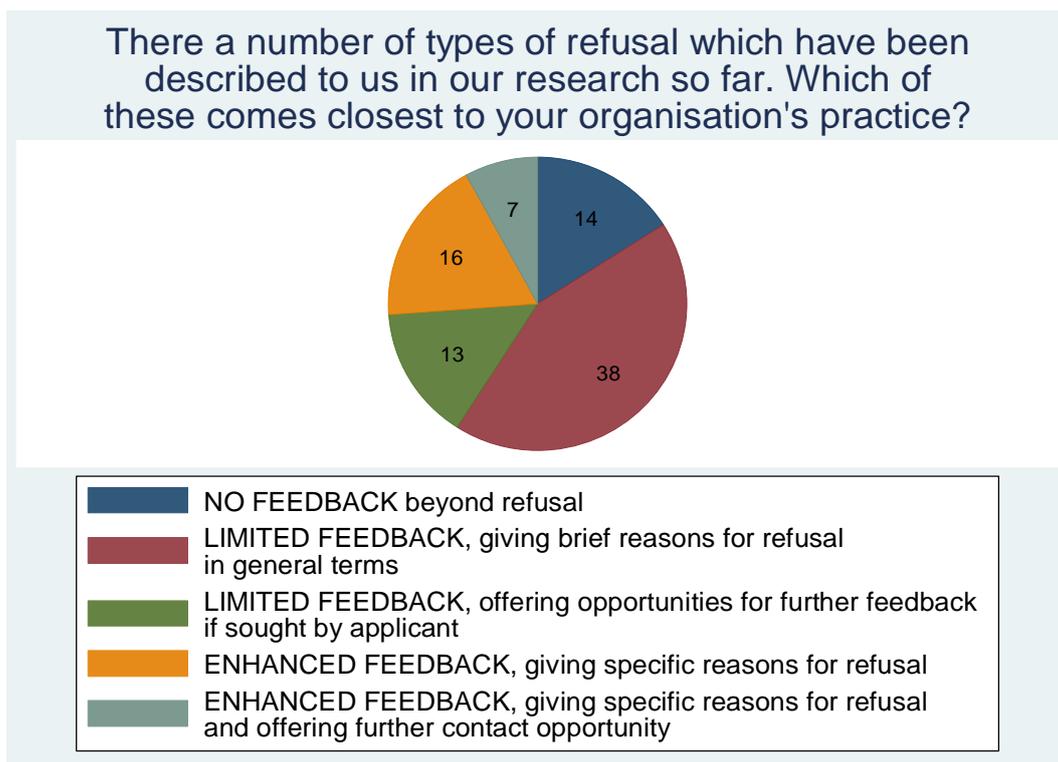


Number of responding organisations: 87
Number of organisations in research population: 300

The need for and the marked lack of feedback on the refused application had been a core concern for grant seekers in the qualitative study. Here grant makers had generally recognised the feedback imperative, but a number had struggled to provide any but the most basic response or had had to limit this because of the pressures on staff in working with grantees, Figure 19 illustrates that among the respondents, fourteen of the eighty-eight organisations provided no feedback beyond the refusal itself.

The majority (fifty-one organisations) provided feedback which they recognised as limited and only a minority (seven organisations) provided enhanced feedback with specific reasons for the refusal *and* an opportunity for further contact; the “ideal type” for which the earlier research suggested that many grant seekers sought.

Figure 19



Number of responding organisations: 88

Number of organisations in research population: 300

Among those organisations providing no feedback beyond refusal, (Figure 20) the most common reasons cited were insufficient personnel, high volumes of applications and a need to protect the privacy of the decision-makers. However, this

group of fourteen also included one respondent with a policy of supporting and giving feedback *prior* to the submission of the final grant application, front-loading their support in the early stages, so that support itself was not necessarily absent.

Figure 20

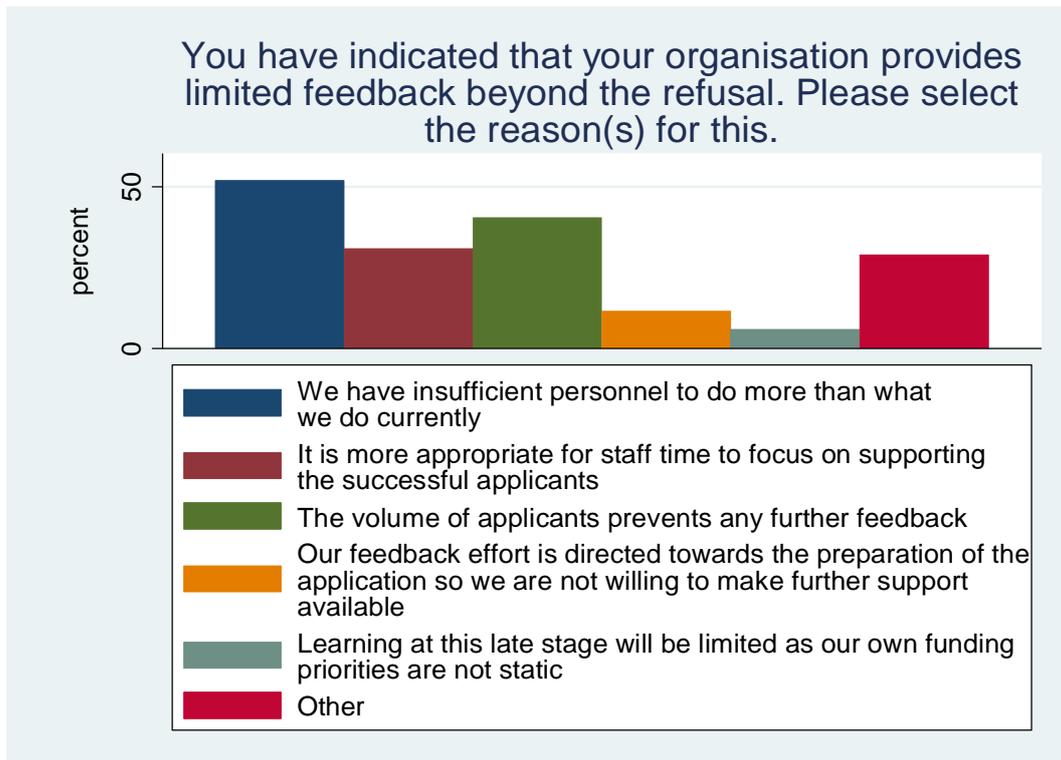


Number of responding organisations: 88

Number of organisations in research population: 300

Where limited feedback was given (Figure 21) organisations' reasons emphasised having insufficient people to do any more than they were currently doing, with prominence again being given to the volume of applications as a further factor. They did however introduce the competing rationale of providing the balance of effort to the successful grant applicants.

Figure 21



Number of responding organisations: 88

Number of organisations in research population: 300

Organisations providing enhanced feedback (Figure 22) reported their most prominent rationale as helping improve applicants' learning. This was closely followed by that of their own managerial needs, i.e. ensuring clarification within the grant maker for the reasons for refusal. A lesser number of organisations in this group recognised the implicit fairness of providing enhanced feedback in recognition of the effort they had required from the grant seeker.

Figure 22



Number of responding organisations: 88

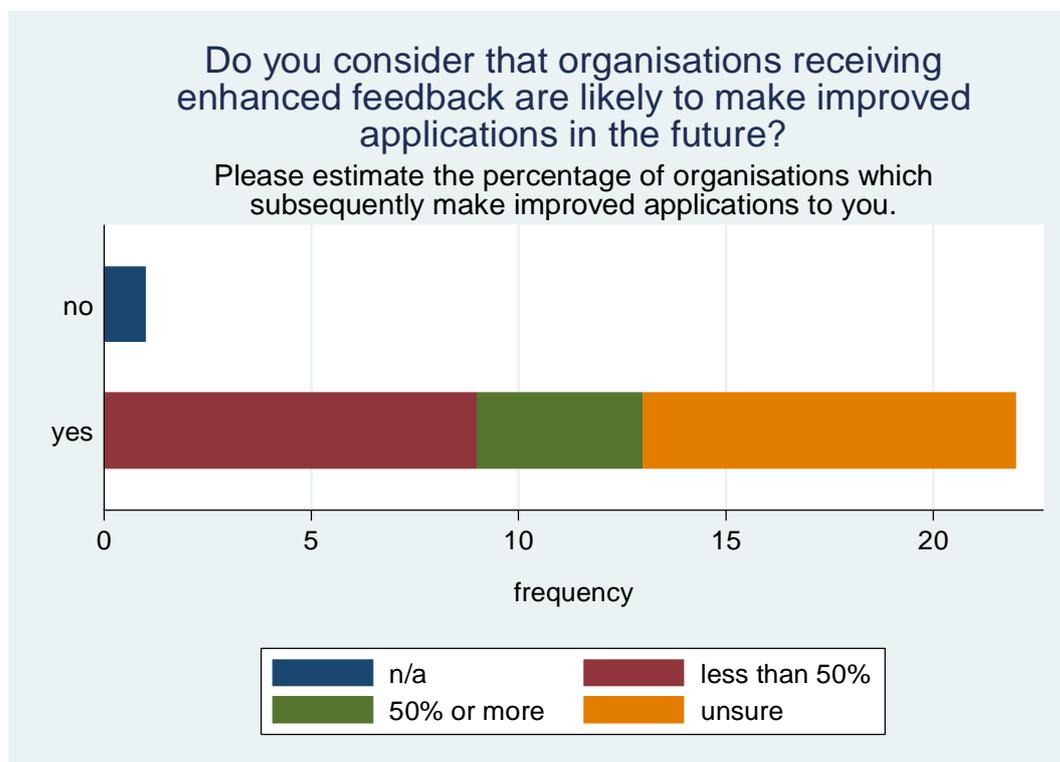
Number of organisations in research population: 300

The spread of responses here again reveals that this is a complex area for grant makers. It is possible that reluctance to see it as a priority area for resources reflects in the qualitative research, the grant seekers' search for sufficient or quality feedback to improve their chances of success in the future, whether with this or other funders. This was an implicit theme for many and an explicit demand from a few. But does feedback, especially enhanced feedback, lead in turn to improved applications (which might also be a function of other factors, such as a change in grant seeker personnel, or a grant programme change)? Figure 23, below, shows grant makers' strong agreement that it does. Respondents from the organisations giving enhanced feedback held strongly that such feedback does lead to improved applications (twenty-two out of twenty-three organisations). However, that sense of improvement was not necessarily widespread, with only a minority (four out of twenty-two) assessing that led over half of the applicants to make improved applications. This is a challenging finding in its own right; but especially so viewed in the light of the qualitative research, where the balance of advantage from enhanced feedback was

virtually to lie with the grant seekers (if the grant makers had the resources wherewithal to provide it). There remains considerable *faith* that learning will accrue to organisations which are thus supported, and appeared intuitively supported by the grant seekers in the interviews and focus groups; but this must cause that to be viewed with caution. It does not of course rule out what might be called portable learning, that is where grant seekers make improved applications but to other funders.

However, it may also be drawing attention to the extent to which some grant seekers are relatively transitory in the organisations for which they are seeking funds (necessarily so, if funding dries up). Thus time, circumstances and a change of personnel mean that they may simply not be around for the next round of applications and any learning may then be lost. This study has not addressed the underpinning question of organisational stability and retention among grant seekers and grant makers, whether employees or volunteers. Yet the follow through that the remaining within the organisation gives to feedback, so that the learning can be retained and operationalised may also be critical.

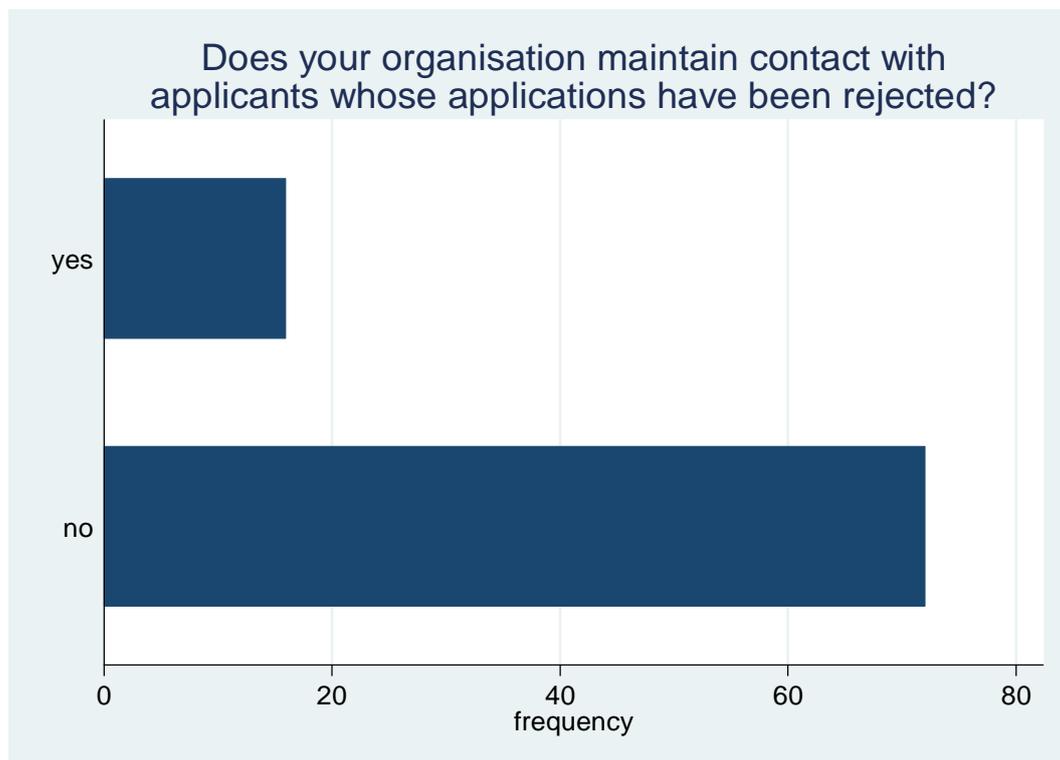
Figure 23



Number of responding organisations: 88
 Number of organisations in research population: 300

Some of the grant seekers and a very small number of grant makers in the qualitative study had raised the question of “keeping in touch”; although other grant seekers and grant makers had regarded this as unrealistic in resource terms and even helping to convey an uncertain hope about “next time”. In the survey, a minority of respondents (sixteen out of eighty-eight) reported maintaining contact with grant applicants whose applications had been rejected (Figure 24).

Figure 24



Number of responding organisations: 88

Number of organisations in research population: 300

Among those sixteen, the most common forms were referrals on to other funders (although this might also be seen as “non contact”, by moving the application on elsewhere); also by contact through newsletters and websites. Half of those maintaining contact offered support to promising applicants for making an improved application at a later stage (Figure 25). The smallest number of organisations (five out of sixteen) identified their practice of holding open briefing events for all would be applicants; an opportunity which the qualitative study had identified was very welcome among grant seekers, as contributing to the sense of grant maker openness as well as supporting understanding of those grant makers’ programmes.

Figure 25



Number of responding organisations: 88

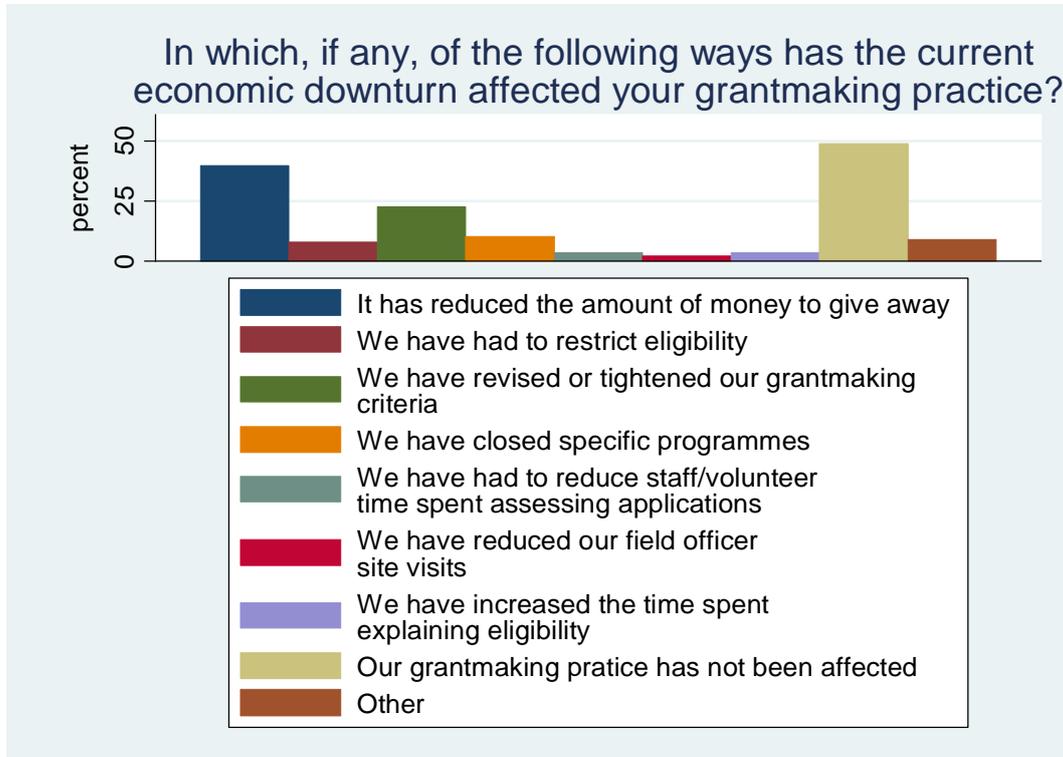
Number of organisations in research population: 300

The wider economic context in which grant refusal is now taking place, and the pressure it may be placing on communications, was an implicit theme throughout the qualitative stages of the study. The inherent sense of competition – not only among grant seekers against each other, but more subtly among grant makers, aiming to fund the most promising organisations in terms of impact – was strong. The survey therefore finally asked grant makers how they saw the economic downturn affecting their grant making practice, in terms of overall change if any, numbers of applications and their communications activities (Figures 26, 27 and 28).

The grant making organisations represented in this survey reported a strong sense of sustaining their work levels and practices. Figure 26 shows that nearly half of all respondents (forty-three out of eighty-eight) reported that their grant making practice had not been affected. Where effects had been felt, it mostly was mainly in reductions of the amount of money to spend on grants (thirty-five organisations) and a revision or tightening of grant-making criteria (twenty organisations). It should be

noted that many grant programmes are only now seeing reductions in income due to the way funds were invested.

Figure 26

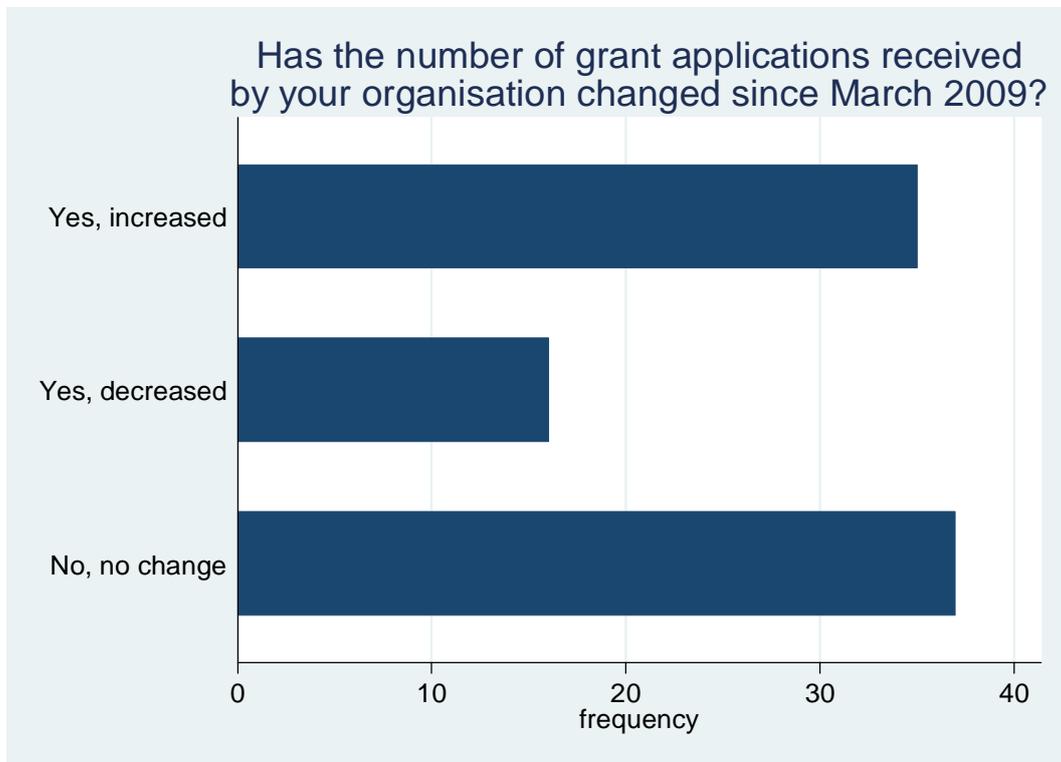


Number of responding organisations: 88

Number of organisations in research population: 300

Whilst more respondents reported increases (thirty-five) than decreases in numbers of grant applications received (sixteen) still more (thirty-seven) reported no change in the quantity of applications (Figure 27).

Figure 27

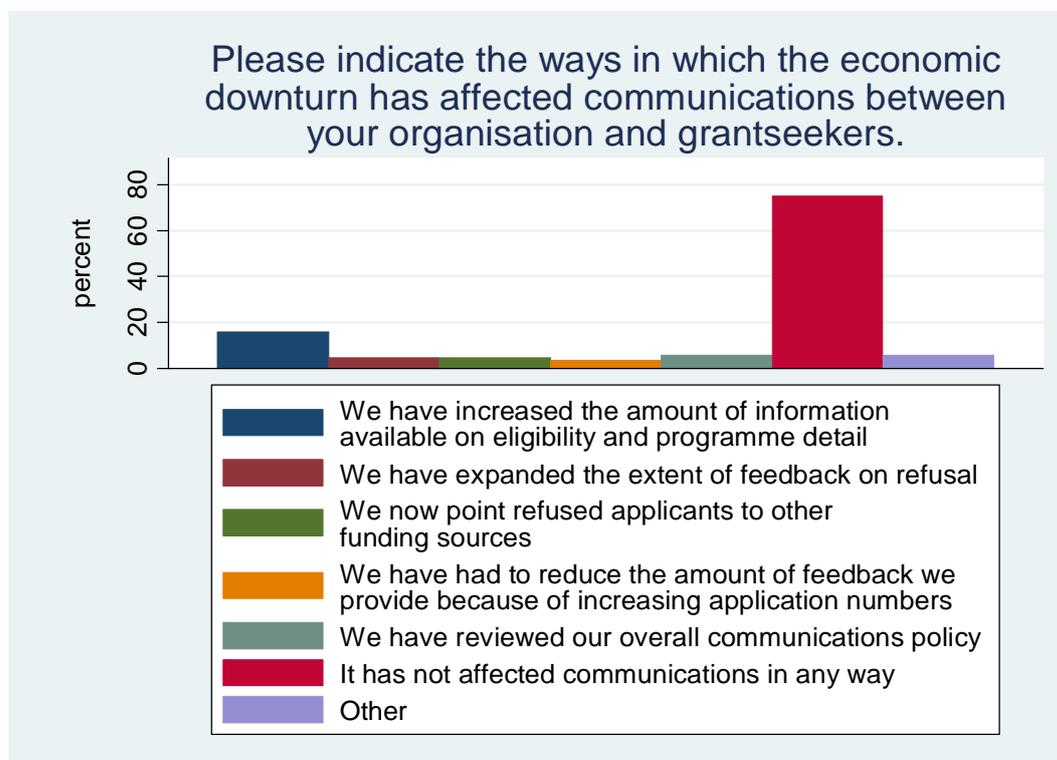


Number of responding organisations: 88

Number of organisations in research population: 300

Moreover, most respondents (sixty-six out of eighty-eight) reported that the downturn had not affected how their organisation communicated with grant seekers (Figure 28). The only marginal change was reported by a small number of organisations (fourteen out of eighty-eight) which had taken steps to increase availability of details of eligibility.

Figure 28



Number of responding organisations: 88

Number of organisations in research population: 300

8.3. Grant seekers and the experience of grant refusal: survey findings

8.2.1. Methodology

The questions for this survey were developed from earlier focus-group work with representatives at grant seeking organisations representatives. The final version of the questionnaire was then set up online and invitations to take part were sent out by email to members of Bassac, the Small Charities Coalition and NAVCA, with the support of each of those organisations. Despite a combined membership of approximately one thousand grant seekers, and the encouragement from each organisation to support the research, only twenty-one people completed the questionnaire.

The sample was therefore regarded as too small for quantitative analysis. A review of the qualitative responses contained in these responses was therefore undertaken. The review of the survey questions, using illustrative quotation, offered insights into the experience of grant refusal from the applicant's perspective; and material on helpful and less helpful communications practice, as the grant seeker reported it. "Good refusal practice" was identified in terms of the ability and willingness of grant makers to be specific in their reasoning for refusal, for example: "they gave detailed reasons on why, although the work we were doing was clearly commendable, we hadn't communicated it well enough in the bid. Gave examples of how we might make it clearer. Also followed up with a phone call. And advised us a re-application would be very welcome in six months." Advice on the chances of future applications opportunities was prize. Meanwhile, one example of grant maker flexibility (or "compromise" as the respondent recorded it) was also given: "The organisation that phoned up and told us that they would not be able to fund the project proposal as planned, as this would be in the last round of applications that year. However, if we could find a way of submitting an application for a named sum, then they would be delighted to support it, with an understanding that we could go back the next year for funding for the balance."

In citing what they regarded as poor and disappointing refusal practice, respondents largely echoed the themes from the focus groups especially, where the key disappointment was a lack of feedback (for example, "Numerous grant makers send a refusal with no reason or whether you can reapply the following year - this is the worst type of refusal as you cannot learn from it"). Also discourtesy, for example, where "Our letter (was) returned with two lines drawn across it with the word 'REJECTED' written in-between"). A minor theme but mostly absent from the focus group and individual interviews was that of inconsistency among grant makers, within the refusal communications process. Three responses illustrate this:

1. "having checked that the project was eligible, we were refused on the grounds that our project did not directly meet their criteria"

2. “the letter concluded with a ‘do not bother submitting any further applications to us. The irony is that we had actually been invited to submit an application by this organisation”
3. “we included in our application a phase of reengaging with participants to make sure we were still doing what they wanted (needs change in 18 months) and this approach was supported by the grants advisor appointed to us but we were refused on this very point”.

This final element of the study was not able to make a prominent contribution to understanding of grant seeker experiences, other than in the complementary accounts, largely mirroring focus groups’ reported experiences and recollections.

9. Conclusions

The issue, practice and experience of grant refusal, particularly in periods of constrained grant making as well as constrained grant seeking, has been shown to be demanding in this research. This has been particularly so in terms of its implications for organisational identity – as important for grant makers as for grant seekers – its impact on the wider knowledge and know-how in the voluntary and community sector generally, and its place in the communications strategies and tactics of organisations right across that sector.

This has not been an easy subject to research, given that one perspective on grant refusal is that it remains a wholly private affair, in which the decider is shielded automatically from any “comeback” and the recipient of the decision is and should be unknown to others. This view, which underpins the idea that grant making and the organisations which do it are somehow mysterious and intend to remain so, was reflected by some but by no means all grant seekers; and there was no evidence of wishing to retain a sense of mystery or unbridgeable distance among grant makers. For those grant makers which were making minimal refusal contact, this was seen as a function of the day-to-day practicalities of their organisational existence and the resources at their disposal.

The alternative suggestion was that this would be an easy topic to research, because it was “researching misery”, where informants would be only too happy to recount the huge barriers they faced. However, the researchers found that “sad stories” did not overwhelm the accounts, that grant makers were not pilloried as an entire group for their intransigence or inability to recognise great work and that research led conversations which did not immediately or predominantly seek to impute blame to others were largely the norm. Although respondents’ accounts did illustrate a very few occasions that were tipping points for incivility (by both grant makers and grant seekers), there was no sign of the hovering “grant rage” and continually contested dialogues among funding parties that some of the earliest research in this area had suggested.

Nevertheless, the researchers are very aware that there are important limitations with purposive research; where invitations to participate and self selecting respondents may affect findings and where there is the potential for more “extreme” accounts to predominate in the process of research discovery. Here the researchers worked on a purposive and invitational basis to try to illuminate the issues identified in the scoping research in the most economical and illustrative way; and in so doing found valuable emergent issues (such as the insights of the intermediaries, called in by grant seekers *after* grant refusal). The relatively small numbers in the focus groups and interviews, as is the norm for qualitative research were balanced by the quantitatively led data from the on line survey with the ACF membership, so that the close quarters detail of grant refusal encounters could be balanced by widening understanding of current grant maker practice, and a modelling of the wider grant maker work, as it operates across the ACF membership spectrum. However, it is acknowledged that the research among grant makers and grant seekers was conducted in parallel streams. There were no instances where grant makers and grant seekers were brought “face-to-face”; to analyse and reflect a particular refusal “case” – and no such invitations were made.

Reflecting on the aims of the research in turn, the findings are usefully illustrative (rather than fully representative) of contrasting experiences, of different organisational approaches to transmitting and receiving the decision, and of a range of possible opportunities for learning and barriers for learning that derive from decision giving of this kind.

For both decision givers and receivers, the value of reviewing their communications practice (internal as well as external, as the news does or does not filter out) is indicated; with a series of choices, that can usefully be undertaken proactively, rather than reactively. Current economic pressures might have been expected to exacerbate organisational problems and inter-organisational discord. Yet grant seekers, whilst often critical of the manner of a particular decision-giving event, were increasingly aware of the kinds of volume problems that many grant makers faced; whilst grant makers were likely to understand the grant seekers’ often pressing need for speed in response and having a response which in a variety of ways confirmed the effort which they had made in the application. The key pressure points were the

same for both sides – what kinds of feedback were warranted, feasible, future directed and helpful and capable of being resourced? What messages did the use of differing communications channels send, both between organisations and within organisations, especially those which were facing grant refusal? To what extent has the sending and receiving of such news been reviewed internally or externally (e.g. by users) and how are questions of organisational identity, purposes and reputation affected?

In drawing together the threads of the research, these conclusions may be drawn:

How do grant makers and grant seekers characterise their communications experiences and practices, when grant refusal occurs?

- Organisational size among grant makers is held to affect the preliminary contacts before applications, and their ability to help refine the incoming application
- The expectation that such contact would lead to improved applications and lessen refusals was held implicitly but not fully demonstrable
- A variety of organisational models for refusal exists with most offering minimal information and post-refusal contact
- Formal communications approaches were marked among grant makers, very individualised, and according to organisation and board preferences; with a wariness of informal contacts, with fear of misunderstandings or seeking to get decisions being reopened
- Recognition existed of differing communications issues for “first time” applicants and those previously (or often) funded; also for “invitational” applicants for those encouraged to bid jointly; with challenges if former closeness is tested
- Contrasting policies on and rationales for keeping subsequent contacts with refused grant seekers
- Grant seekers reporting mainly formal communications approaches, the majority with minimal feedback or feedback which was regarded as of limited use
- Very varied responses to formal and informal requests for further/some feedback
- Grant seekers’ continual search for feedback which is tailor made, timely and containing clear rationales for refusal
- Grant seekers’ hopes for being directed to alternative funding sources, whilst also anxious that grant makers share their “refusals” information with each other.

What kinds of learning, if any, are grant makers and grant seekers able to draw from these experiences and characterisations?

- Grant makers vary in their views on their responsibility for grant seekers' organisational learning, confirming a shared responsibility with the grant seekers' role in submitting relevant and well articulated applications
- Grant makers provide logical and resource based reasons for apparent poor behaviour in negligible or minimal detail refusals, notably chronic lack of internal capacity to do so
- A range of means of "saying no", from organisational silence to detailed rationales for refusal and advice on future options is needed
- Grant makers recognise the importance of providing coherent reasons for refusal; with "saying no" part of the application process, though limited by own capacity
- Also acknowledge the reputational risks issue around refusal, notwithstanding the private nature of grant making decision making
- A range of key roles for grant maker staff and volunteers, CEOs, field officers, trustees; with some contrasts between the choice of the bearers of "bad news" the importance of both groups handling experience with empathy and detachment
- Grant seekers place a high value on preliminary contact before applications are made, seen as a wider ideally-continuing "dialogue" between grant makers and grant seekers, and cross-sectoral networking
- Barriers to pre-application contact is part of the grant refusal process and confirm feelings of favoured and less favoured applicants
- Grant seekers struggle to learn from minimal feedback; whilst recognising value of timely "nos" and the logic of equity of effort – a major effort "deserves" an equivalent level of feedback
- Grant seekers face demands on internal communications (sharing the new with staff and volunteers on refusal), given the possible emotional as well as organisational impact of grant refusal; and exploring respective professional leadership roles (e.g. as between CEOs and fundraisers)
- Grant seekers offer clear preferences around information needs and feedback support that was in effect capacity building among grant seekers; with some

seeking to join in/drive the agenda on funding priorities, currently being set by funders, because of their (grant seekers') knowledge.

Where and how may promising practices in grant refusal communications be identified from grant makers' and grant seekers' perspectives on their experiences?

From the research stages undertaken, a range of practices and ideas for extending, limiting and facilitating support at the point of grant refusal, examples of ways of communicating results, use of particular technologies and person-to-person discussion, and opportunities for experimentation and risk taking in learning arose. These were seen as strongly developmental rather than mandatory, with no support for formal "appeals processes", or ombudsmen style activity.

Preferred and promising practices were highlighted by many respondents, sometimes their own, sometimes those which they had observed and welcomed. These are summarised as promising practice learning points and ideas, to take away from the research, in *The Art of Refusal: Promising Practice for Grant Makers and Grant Seekers* of this report.

Considering taking practice learning forward suggested to the researchers that developed or specialised communication audits in organisations, which included the range of information stages around grant seeking, but concentrated on the grant refusal aspect, as the most neglected stage, could have a role, where organisations wished to reflect and learn further from refusal issues. Also that these could at a future stage incorporate or make use of theoretical thinking on non profits, communications where the key aspects were the need for efficiency and the need for consensus, two aspects that have special importance for grant maker – grant seeker relations.

Grant making is at its heart a financial, as well as a social transaction, about which there will never be perfect information. The importance of grant making remains clear to the voluntary and community sector; for example, as NAVCA (2007, 14) argues in relation to local funding needs, where "a good grant, well structured around

locally owned outcomes, can be strategic and can help all parties focus on maximising social and community benefit.”

Grant makers’ autonomy to refuse and grant seekers’ ability to apply – and re-apply – for funding therefore carries with it important communications responsibilities and accountabilities; which this project has addressed, with the intention of furthering philanthropy’s purpose, that of helping others.

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Appendix 1: Research Instruments from Interviews and Focus Groups

Grant Makers – Individual respondents' interview schedule

1. A view of the climate in which grants are made and grant seeker expectations of you
2. What kinds of engagement and encounters with grant seekers occur (if at all) prior to formal application being made? Who sets the time and pace/place for this? (Are we seeing 'pushy' and /or very cautious grant seekers?)
3. Who gets to say "no"? - Layers of decision makers or a direct answer from field staff?
4. How are grant decisions communicated, by whom; why in these format(s)
5. Are these model(s) reviewed or changed – from what triggers any change?
6. Describe the range of responses of the refused grant seeker; and your organisation's approach (e.g. bespoke practice?)
7. The grant maker typology – first aid to stonewall* - How far do you assume (deliberately or de facto) a learning role; and if so, can you assess its effects?
8. What are the reputational risks if any in relation to disappointed grant seekers – and how have this duty of care impacted on your organisation's overall policy?
9. What levels of contact if any do you maintain with "rejectees"?
10. What (if any) are the model –"best" - ways in which grant seekers are refused?
11. How if at all has current downturn affected your views on ways of refusing grant seekers?
12. Recalling critical incidents around grant seekers and refusal.

Vignettes /cases.....

*During a scoping phase of this study, on "funding fury", we conjectured about what kinds of people might be on the front-line of funding fury. We pictured them hypothetically as:

- Absorbers (just taking the criticism as part of the grant maker "life")
- Absolvers (explanatory practices - there were so many good applications – i.e. not the grant seekers' fault...)
- Agony Aunts (listening to all the awful implications, and sympathizing)
- First Aiders (offering feedback for improvement) and
- Stone Wallers (barely acknowledging the failed grant seeker, declining to communicate further).

Grant Seekers – Individual respondents' interview schedule

1. A view of the climate in which grants are made and grant maker expectations of you as grant seekers
2. What kinds of engagement and encounters with grant makers occur (if at all) prior to your formal application being made? Who sets the time and pace/place for this?
3. Who mostly gets to “say ‘no” to you; and to which levels in your own organisation? (e.g. staff, trustees, fundraisers?)
4. How are grant refusal decisions communicated to you – formats, style, content, timing, feedback level?
5. Describe your organisation’s response(s) to grant refusal? (A range or a particular type of response...)
6. To what extent, if at all, do you consider your organisation has been able to learn from feedback accompanying refusal?
7. The grant maker typology – first aid to stonewall? How would you characterise grant makers generally their forms of response?
8. Are any of these approaches better suited to your own organisation’s learning?
9. To what extent, if at all, does your organisation “go public” on grant refusal; and so (or if not) for what reasons? What kinds of reputational risks and advantages go with this kind of openness?
10. How if at all has current downturn affected your views on your organisation’s experiences of grant refusal?
11. Recalling critical incidents around grant seekers and experience of refusal? Vignettes /cases.....

Intermediaries – Individual respondents' interview schedule

1. Please explain the context/circumstances of your familiarity with grant refusal, as experienced by voluntary organisation(s) (consultant's specialism if any) ; and your role (s) in the organisation(s) specified
2. (If a specific case scenario used) Please describe the organisation briefly
3. What were the key circumstances of the grant refusal? (prompts around expectations, the would-be grant's prominence in the organisational life, the refusal type and experience, the people handling it – staff, board, others)
4. What kinds of interactions with the refusing grantor took place, how and why? Any subsequent relations?
5. What would be your assessment of the way(s) in which the organisation managed its grant refusal (prompts e.g. on communicating the news, organisational learning)
6. How would you characterise the communications practices and potential for learning for grant seeker and grant maker: a) In this case; b) Generally?
7. Any other comments on this research topic

Grant Seekers – Focus Group Schedule

1. Grant Making Climate

Exploration of the current climate in which grants are currently made & the perceived expectations of grant makers.

2. Preliminary Contact With Grant Makers

Exploration of the kinds of engagement that occurs with grant makers, prior to a formal application being made.

3. Communicating Decisions

How grant refusal decisions are communicated – format, style, content, timing etc.

4. Responding To Grant Refusal

How your organisation responds to/cope with grant refusal.

5. Feedback From Grant Makers

Exploration of the varieties of feedback provided by grant makers.

6. Learning From Any Feedback

The extent to which your organisation has been able to learn from feedback following refusal.

7. Preferences To Types Of Feedback Response

What sort of responses from grant makers are helpful and how would you like to see them behave.

8. Going Public/Reputational Risk

The implications of going “public” following refusal and reputational risk.

9. Impact Of The Economic Downturn

Affecting your views on your organisation's experiences of grant refusal?

Grant Makers – Focus Group Schedule

1. Current climate: - How would you describe the current climate in which grants are made and its overall impact on grant giving practice, if any, and grant refusal in particular?
2. Communicating the “No”: - Who gets to “say no”, and how? - Who should be “saying no” in your organisations? - How do you see the role of field staff who may have nurtured a refused project?
3. Rationales for refusals and forms of “saying no” - Do differing rationales for refusal affect the systems for ‘saying no’? (reference to US work identifies: the categorical no, the policy no & the personal judgment no)
4. Decision Giving Typology - A typology of “decision giving” grant maker styles in refusing grant seekers been observed. What are your experiences?
5. Time & Continuing Contact - What levels of contact if any do you maintain with those refused? - Times and forms expended? Opportunities and limitations
6. Reputational risks- What are the reputational risks if any in relation to disappointed grant seekers and their subsequent actions?- Have these impacted on your organisation’s overall policy or practice in any way?
7. Changing economic climate- Is recession likely to cause major changes in grant maker – grant seeker communications over grant refusal in the longer term? If so, how?

Appendix 2: Organisational Participants in Focus Groups

Grant Makers:

- Charities Aid Foundation
- Dulverton Trust
- Friends Provident Foundation
- Help the Hospices
- Jill Franklin Trust
- Lambeth Endowed Charities
- Nationwide Foundation
- Sir George Martin Trust
- The Baring Foundation
- The Mercers' Charitable Corporation
- The Reed Foundation
- Tudor Trust

Grant Seekers:

- Asian People's Alliance
- Aysanew Kassa Trust
- Bacton on Sea Village Hall
- British Tinnitus Association
- Cambridge Ethnic Community Forum
- CEMVO
- Cooltan Arts
- Ethnic Minority Partnership Alliance
- Foundation for Social Improvement
- JUST West Yorkshire
- Round Table Children's Wish
- Small Charities Coalition
- Southall Black Sisters
- Voice4 Change England
- Wai Yin Chinese Women's Society
- World Council of Optometry

Appendix 3: Subsectors of Grant Maker in Survey

- Music, religion, education
- Education, welfare, health care and research, environment, arts and indigenous
- Domestic Abuse; community development; mental health; criminal justice; arts
- Women
- General welfare, medical welfare, youth, culture, church
- Religion and Education
- Poverty, education, Christian faith.
- Postgraduate education
- Health - Hospices
- Generalist grant maker
- Community development
- Children and young people
- Hospice
- Children and families
- People in poverty
- Social & community needs; education & training
- Disadvantage, disability
- Education, Employability
- Educating young people under the age of 25 from disadvantaged/deprived backgrounds in (specified city)
- Social care & education; military welfare; conservation & environment
- Relief of need
- Financial exclusion
- Poverty, inequality, discrimination
- Disadvantaged people
- Education & Relief of Need
- Environment, public amenities, relief of unemployment, education & training, crime prevention & community safety, recreational facilities, capacity building
- General social welfare
- Most sectors
- Poverty health
- Education
- Several
- Rural community, textiles, arts
- Human Rights, Prison Reform, Environment
- Community development
- Healthcare and biomedical research, public engagement and medical humanities
- Adult education
- Homelessness, education, disadvantage young people, environment and community regeneration
- Education and vocational training
- Environment, cultural understanding, fulfilling potential
- We fund policy-related work & campaigning in various fields
- Gypsies and Travellers only

- Citizenship and Enterprise, Economic development, Sub Saharan Africa
- Homelessness
- Arts, Learning and Small Grants
- We are a generalist funder, with certain exceptions and prefer small local organisations
- Disadvantaged Children and Young People
- General human - education, relief, recreation
- General and education
- Human rights: prisoners, refugees, mental health, older people
- Penal reform, refugee and asylum seekers, palliative care in Africa
- Human rights
- Arts & music
- Community Development
- Environment education heritage
- No specific sub-sector
- Criminal justice, anti-poverty, migration
- General Funder
- Broad: Arts/Health/Education/Social Welfare
- Human rights, civil society, education, arts, research
- Children and young people
- Children and young people
- Mental Health, Learning Disabilities, Homelessness, Health in the Community
- Social welfare
- School education, care for the elderly , disadvantaged families, social welfare for the marginalised
- Visually impaired, cancer and arthritis research, disability, education and training for disadvantaged people
- Community Development
- Education for children and young people
- Community development; social justice; political ex-prisoners; age sector; social justice; minority ethnic; young people; women's sector
- Local history and heritage, including maritime traditions of this coast; exceptionally talent young people in the performing arts (with course/tuition fees mainly); local self-help groups, including in the arts
- Direct relief of sickness
- Various
- Conservation; elderly; disadvantaged; education (in specific locality)
- Veterinary research and education
- Criminal justice, mental health, domestic violence, neighbourhood work, arts
- Cultural understanding, fulfilling potential, environment
- Community, the elderly, children & youth, culture and education, overseas aid & development
- Young people's education charity (disadvantaged and disabled), grants to orgs only
- Arts, education, social justice for young people, India
- Diverse specified areas
- Areas of disadvantage which encompasses all aspects except conservation/environment, animal welfare, historic restoration etc
- General
- Education, training, children and families
- Community development

- Disability, Mental Health, Support for Elderly People, Support for Homeless, School and University Education
- UK environment and 2) framed animal welfare
- Social housing
- General charitable focussing on specific beneficiary groups
- Environmental sustainability policy and attitudes. Peacebuilding policy and attitudes.

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Cass Business School
106 Bunhill Row
London EC1Y 8TZ
www.cass.city.ac.uk/cce



Cass Business School

In 2002, City University's Business School was renamed Sir John Cass Business School following a generous donation towards the development of its new building in Bunhill Row. The School's name is usually abbreviated to Cass Business School.

Sir John Cass's Foundation

Sir John Cass's Foundation has supported education in London since the 18th century and takes its name from its founder, Sir John Cass, who established a school in Aldgate in 1710. Born in the City of London in 1661, Sir John served as an MP for the City and was knighted in 1713.