

TECHNOLOGY TO DRIVE COLLABORATION & EFFICIENCY

Online platforms harness technology to match grant-makers to applicants and encourage partnership working. Head of Marketing at The Good Exchange **Marina Stedman** explains.

Not-for-profit organisations and charities across the UK have seen a dramatic fall in grant funding in recent years driven largely by cuts in central and local government funding. Government grants declined by 47% from a high of £6.2 billion in 2003/04 (17% of total income) to £3.7 billion (8% of total income) in 2015/16. Despite a rise in voluntary sector grants over the same period from £2.3 billion to £3.2 billion (<http://bit.ly/Almanac18>), grant funding is now £1.6 billion lower than it was 14 years ago.

UNSUCCESSFUL APPLICATIONS

Grant-makers typically require charitable causes to apply to them directly (even though one foundation has reported as many as 96% of applications being unsuccessful). Charities trying to close budget gaps have been forced to make ever more speculative applications to grant-makers for funds, seeking out and requesting funding from every foundation and trust they can find. In 2010, the Directory of Social Change (DSC) found that 36% (361,149) of applications to the top 2,500 UK-based grant-making trusts were ineligible. DSC calculated this as seven years of effort, based on 10 minutes per application and working around the clock for a year. But feedback to The Good Exchange is that each manual grant application takes one to eight hours to complete. Assuming just one hour per application and a more realistic eight-hour day, five days a week for 47 weeks a year, this represents at least 192 years of wasted human effort every 12 months.

What can be done to help charities and community groups close their

funding gaps and cut the amount of time and effort spent on customising grant applications, freeing up time to focus on good causes? We can all see what streaming has done for the music industry and how comparison websites help us to find insurance – technology-led collaborative philanthropy could do the same for the charitable sector.

Feedback from senior representatives of charitable funding organisations has highlighted four common objections and barriers to the adoption of technologies that could drive transformative collaboration:

- **Our digital transformation is done** With websites updated, grant management and CRM systems implemented and social media managed, decision-makers may not have the technological background to envisage the next steps – how technology can make grant applications and giving more effective.
- **We're busy and spread around the country** This need not be a hurdle. Digital platforms enable collaboration in an instant, identifying who is interested in similar projects and providing all the information needed for due diligence.
- **We need to reach our own decision on which charitable projects to support** Decisions about beneficiaries and timeframes are always managed by funding organisations. But digital technology facilitates proactivity by instantly identifying all projects meeting grant-making criteria – removing the need to sift through hundreds of ineligible applications to find the matching 4%.

- **We'll lose the personal connection between ourselves and applicants**

Quite the opposite is true. Minimising application and shortlisting timescales and effort enables funders to spend more time building relationships with the most relevant charitable organisations.

HOW DIGITAL TECHNOLOGY CAN HELP

Digital technology underpins 'collaborative funding programmes' – networks of grant-makers, philanthropists, businesses and public donors working together to tackle geographical/theme-based issues while maintaining autonomy over funds, grant-making and disbursement processes. Through a shared application process, the programmes identify and match eligible charitable organisations to individual grant-makers' criteria. Customised online dashboards instantly show collaborative funding opportunities, funding budgets, donations, and fundraising activities for each application.

Digital collaborative funding programmes also enable match funding grants to incentivise public donations and additional grants.

FEEDBACK FROM FUNDERS

Oxfordshire Community Foundation, The Miss Lawrence Trust and Oxford City Council use The Good Exchange's online matching platform to help them better support charitable causes in their regions.



Didcot Train is funded by OCF to provide residential camps giving disadvantaged young people confidence to transform their lives.

Oxfordshire Community Foundation

OCF has pledged £31,000 from the #iwill Fund – a grants programme made up of joint investment from the Big Lottery Fund and the Department for Digital, Culture, Media and Sport which promotes youth social action – to charities fundraising through The Good Exchange. Examples include:

- Didcot Train – Residential camps giving disadvantaged young people confidence to transform their lives
- The Story Museum – Young arts producers from Oxford’s most deprived areas
- The Parasol Project – Youth Volunteering Programme work experience and community placements for 40+ disabled and disadvantaged 10-20-year olds.

Simon Barnard, Head of Community Impact says: *“Because The Good Exchange helped us find relevant projects, be more proactive in our grant-making, and assisted us in raising the necessary match funds, we were able to spend our whole grant from the #iwill Fund allocation on deserving projects.”* CEO Jayne Woodley adds: *“Working with The Good Exchange, we are able to streamline the application process, reach and collaborate strategically with other funders to provide match funding, and encourage applicants to drive donations and fundraising of their own to help them meet the qualification criteria.”*

The Miss Lawrence Trust

Providing approximately £100,000 worth of grants annually (£2,000-3,000 per applicant), The Miss Lawrence Trust supports national, regional and local good causes, particularly involving children

and young people. Using The Good Exchange, the Trust no longer spends weeks manually processing hundreds of paper-based applications and has greatly increased its profile rather than depending entirely on the personal local contacts of its board. Trustee Jonathan Bastable expands: *“The main draw to The Good Exchange was the ability to simplify our paper-based system of processing grant applications. The platform allows us to streamline the annual shortlisting of applications, and also enables us to delve deeper and with greater ease into our applicants’ objectives, while also enabling us to see the support they’ve received from other funders and donors. The platform provides a great deal of transparency and it also greatly simplifies matters for applicants, who now have to complete just one application form for consideration.*

“To date, we’ve been rather standalone, so in the longer term we look forward to making the most of the collaborative benefits of the platform. For instance, we’d be open to working with other funders to support good causes that match our criteria. We’re also keen to explore match funding, which provides a compelling incentive for encouraging charitable giving.”

Oxford City Council

Despite its affluent reputation, 10 of Oxford’s neighbourhoods are among the 20% most deprived in England. Oxford City Council provides £1.4 million in grants every year to local charities and community groups that help tackle inequality, deprivation and homelessness, and to promote arts and culture.

The council’s small grants are available through The Good Exchange platform

with applications meeting their funding criteria automatically matched and shortlisted to both the council and other eligible grant-makers on the platform. This cuts down the time taken to apply, reduces the need for multiple applications and enables the council to proactively find and support a wider range of good causes across the city, as well as co-fund projects with other funding organisations.

“Our partnership with The Good Exchange will make it easier for local charities and community groups in Oxford to access much needed funding, and also create opportunities for groups to leverage further funding from other grant-makers and generate donations and support through fundraising activities,” comments Councillor Christine Simm, Executive Board Member for Supporting Local Communities.

CONCLUSION

Digital technologies continue to transform the way we live and work, and those managing charitable funding have the opportunity to do the same for application processes and sector collaboration. Creating an equal funding and fundraising gateway for every charity, regardless of size or cause, will help grant-makers, donors and fundraisers to give their money and resources to those that need it most, drive a measurable impact on social problems and build community engagement, simultaneously encouraging more charitable giving from individuals and businesses. ●

<https://thegoodexchange.com>

Marina Stedman is Head of Marketing at The Good Exchange.