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Case Study: supporting WISE through a collaborative grant round

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Day Four Projects

June 2024

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Key Messages:

The WISE Grant Round was a pilot collaborative among seven funding organisations, with early results suggesting that it has helped to simplify and streamline access to philanthropic funding for grant applicants (via a 2-step application process that had high quality supporting documentation, information and communication).

The process has helped to develop collaborative blueprints and structural frameworks for sector wide adaptation, including a self-completed Social Enterprise Assessment Matrix.

Good collaboration requires significant work and investment from collaborators, and a commitment to shared and individual ambitions.

There are key principles for good collaboration that may be considered for application for future collaborations, particularly those involving funder-funder relationships.

Background

Work Integration Social Enterprises (WISE) are an important mechanism for supporting people to access meaningful, secure and dignified employment. And they are good at doing this: for every $1 million in turnover, social enterprises are estimated to create nine new jobs, and help to reduce barriers to employment by integrating real-world work with training, education and skill development.[[1]](#footnote-1) What’s more, many WISE focus on creating these jobs and opportunities with those who face the most significant barriers to positive employment outcomes, including young people, women experiencing disadvantage, refugees and asylum seekers, First Nations people, and people living with a disability.

Despite the role and value of WISE to Australian job seekers, there are unique challenges that stand in the way of WISE realizing their full impact. These challenges include the significant costs they incur through working with people from marginalized groups, and a lack of sustainable funding for their core costs and outcomes they deliver. Estimates suggest that these expenses, which include wages for support staff, property costs and training costs, can account for almost 30% of total running costs for WISE.[[2]](#footnote-2)

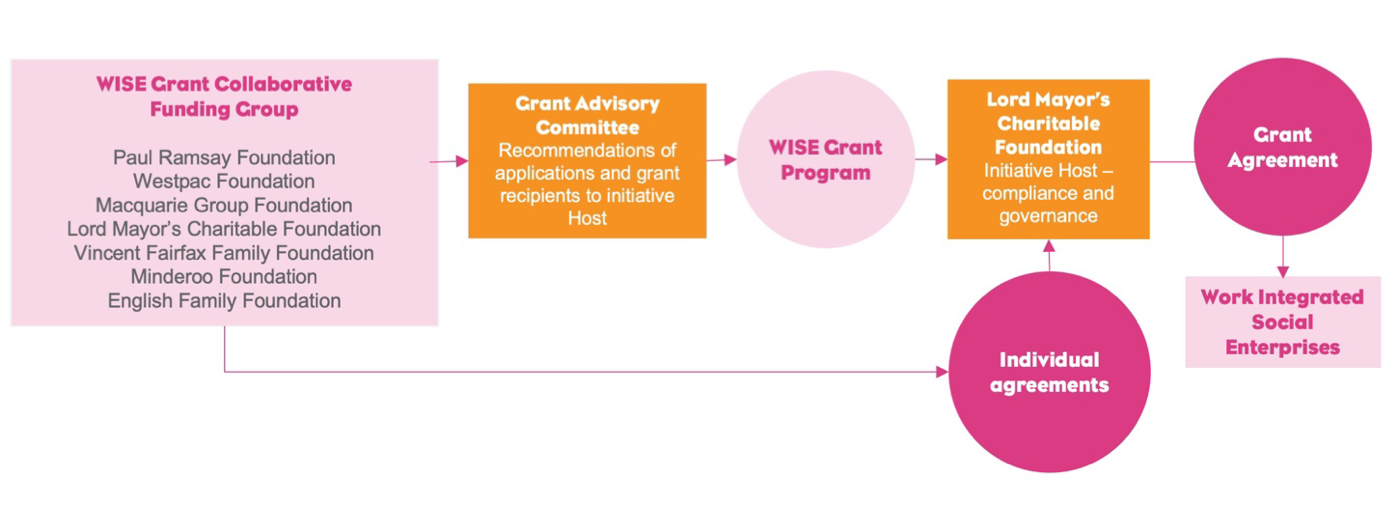
Finding and securing financial support (including from philanthropic sources) to meet these costs is a challenge. Many WISE are required to navigate a highly fragmented philanthropic system, and apply to multiple funding organisations, each with their own application requirements and processes. These processes take time away from WISE doing what they do best.

*“Because essentially philanthropy is quite opaque. And it can be hard for not for profits to get known to the big philanthropists. You don’t know if you should be applying for everything – there’s a big power imbalance” -* Social Enterprise Advisory Group (SEAG) member[[3]](#footnote-3)

The WISE Grant Round has been an early effort to address some of the challenges that WISE face in accessing philanthropic support. Launched in 2023 as a pilot initiative, the WISE Grant brought together seven of Australia’s leading philanthropic organisations to collaborate on a single open grant round for WISE: helping to reduce the barriers to applying for, and securing philanthropic support. This approach is new for philanthropy in Australia, and an opportunity to learn about how to mobilise support from multiple funding organisations, as well as the types of benefits and challenges that come from working in this way.

Vision for change: genesis and design of the WISE Grant Program Pilot

The idea for a collaborative approach to supporting WISE in Australia came – like many good things – over breakfast. The team from the Westpac Foundation brought together leaders from across philanthropy at a breakfast meeting at the Philanthropy Australia conference in Sydney in September 2022. This meeting laid the foundations for the collaborative, and was followed by high-level engagement from CEOs from across multiple philanthropies. Soon, work was underway to establish a collaborative Steering Committee and to co-design agreed ways of working, an overall vision for the grant, and a Theory of Change to help identify shared directions and outcomes. Early in-principal commitments came from many of those involved, and the team from MinterEllison provided much needed pro-bono support in developing a legally sound Memorandum of Understanding (MOU) among the seven philanthropic partners involved.

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**Figure 1: WISE Grant Governance Structure**

Over six months, and led by the Steering Group, the collaborative developed all the necessary tools and processes for running an open grant round. This is challenging enough for one organization, let alone seven, all with different needs, interests, set-ups and histories. With the help of a Social Enterprise Advisory Group (SEAG), the collaborative navigated their way through developing a two-stage application process (Expression of Interest and Full Application), and all the required materials required of this approach, as well as an assessment process that enabled partners to work together in reviewing and selecting successful WISE.

Despite its collaborative approach, partners identified an early need for one organization to ultimately hold the financial relationship with successful WISE. Lord Mayor’s Charitable Foundation (LMCF) stepped into the role, and through their DGR1 status, was able to receive funds from other partners in the collaborative via Giving Letters. From June to October 2023, the collaborative – led by LMCF – publicly launched the grant round, received and collaboratively assessed EOIs, sought full applications from shortlisted applicants, and found ways to collectively review and select 14 WISE to receive full funding. Despite being a collaborative effort, the needs of each funding organization still had to be met – which meant making sure that a suitable mix of WISE was ultimately selected, representing enterprises from across different jurisdictions in Australia, working with different population groups, and in a range of industries, sectors and settings.

The 14 successful WISE were announced in late 2023 – just over a year since the very early discussions were had among philanthropic organisations. Funds are flowing to grant recipients, and will do so for two years, allowing them to get on with delivering positive employment outcomes for those that they work with.

It’s been a great result, but a significant effort, and from many people. So, is the initiative delivering what it was expected to? And what might be learned from this pilot phase?

Results so far

Early in the process, the seven philanthropic organisations spent time discussing and identifying what they hoped to achieve from this collaborative effort. An overriding objective was to simplify and streamline access for WISE to philanthropic support, helping WISE to save time and energy in applying for funding. At the same time, collaborators were aiming to strengthen their relationships and networks with each other to better support WISE in the future, to contribute new knowledge and a stronger evidence base on collective funding approaches for WISE, and to help attract further funding into the sector.

Through an evaluation of the initiative, insights are being gained into progress towards these goals, and what it takes to work effectively in collaboration to support WISE. Some key findings so far:

The WISE Grant Round garnered much interest from WISE, with **180** EOIs submitted from WISE in New South Wales, Queensland, Tasmania, South Australia, Victoria and Queensland. These enterprises work with **a variety of population groups**, with intersecting identities and needs, with the most common being young people (24%), people living with a disability (34%), and women experiencing disadvantage (13%). Nearly 30% of EOIs were from organisations working in regional areas across Australia.

75% of applicants agreed or strongly agreed that the application process through the collaborative grant round was **streamlined and simple.** WISE applicants broadly valued the two-step application process, the supporting documentation, webinar and assistance provided by the collaborators in preparing EOIs and applications, and the self-assessed Social Enterprise Classification Matrix.

*“The information about the grant, including eligibility criteria, application process, and selection criteria, was clearly presented. Key details were easily identifiable. The supporting documentation provided a good understanding of the grant's purpose and how it aligns with the goals of WISE organizations. The website offered ample resources and FAQs to address potential questions.” - EOI Applicant*

Equally, Partner Organisations are seeing value in their work together. Partners have built **new relationships** with each other, as well as **strengthened existing** ones; there is a felt sense of being **part of a new community** that Partners will be able to draw from in the future; and confidence that they have **developed a ‘blueprint’** for how to work collaboratively in supporting WISE in Australia – including a powerful legal instrument in the MOU developed with MinterEllison.

“All of these people met fortnightly. You’re building much deeper relationships. And ultimately that leads to greater relationships between organisations. You feel much more comfortable in picking up the phone and saying “we’re working on this” etc. There are times that we were meeting every week – regularly seeing each other, talking to each other etc. I was new, and it gave me a good understanding. The regular interactions helped to strengthen relationships” - Partner Organisation

These are encouraging results, and suggest that the WISE Open Grant Round is a valued, and valuable offering for WISE and Partner Organisations in Australia.

Challenges encountered

While these early results suggest that the collaborative approach taken to design and deliver the WISE Grant Round has been positive, there have been challenges along the way – challenges that are helpful in understanding how an initiative such as this could be improved into the future. After nearly two years of working in this way, three key take aways are clear:

1. **Allocate more time (and money) than might be expected**: the old adage – “if you want to go fast, go alone: if you want to go far, go together” – is true for all collaborative endeavours, and hints at the effort required to bring together diverse organisations in a collaborative undertaking. Finding shared alignment, co-creating a legally sound agreement, co-developing grant materials, and collaboratively reviewing and selecting applications all took time and effort, and for some Partner Organisations, was more than originally anticipated. This included efforts by those involved to navigate shared spaces with other funding organizations, as well as internal work within their own organisations to bring them along in a collaborative journey.

*“The experience from the beginning was – it was hard because we were trying to come together to bring our own internal processes, streamlined into one process. We all do things differently. Have different appetites. We’re different sizes.” - Partner Organisation*

For LMCF, the additional role as Host Organisation came with added responsibilities, including for dedicated personnel and technical systems to deliver and run the process. Finding ways to meet these needs was an important step, and one that early identification can help in addressing.

1. **Navigating individual and collective needs:** similarly, while the broad vision and goals for the WISE Grant Round had the support and backing of all Partner Organisations, there was still a need to ensure that the individual requirements of all Partners could be met through the collaboration. With different areas of focus, and different funding mandates, there was a challenge in assembling a selection of WISE that collectively matched the funding foci of partner organizations. This involved deep and open discussions among partners, a willingness to adapt and change, and flexibility in what it meant to commit funding via a collaborative mechanism – as opposed to a direct relationship with a grant recipient.

*“We had a fair idea of each of their priorities….Different partners had different requirements and priorities. We factored that in well to our decision matrix and the questions we asked in the EOI.” - Partner Organisation*

1. **Being responsive and transparent for the WISE sector:** the WISE Grant Round was intended to streamline access to philanthropic funding for WISE in Australia. While there is good feedback from WISE that this has been achieved, there remain improvements in how such a mechanism can support WISE, including those who may not have been successful in this first round of funding. Applicants noted challenges in receiving feedback in their applications, with many unsure as to why they were unsuccessful or how their applications could be strengthened in the future.

*“It would be very useful for feedback to be provided for unsuccessful applications. It takes nfps a lot of time to write applications and the feedback is vital for the ensuring stronger applications and/or better choices about where to put efforts.” - Grant Applicant*

This is an important point: how can Partner Organisations working in a collaborative provide feedback that is valued, timely, and constructive, and that improves the chances of WISE applicants in securing funding through this mechanism and others? There is power in the depth that a collaborative provides, and being able to distribute these activities among many hands. Finding ways that the collaborative can better connect and support WISE through all stages of a competitive grant process, is important work for Partner Organisations as they look to the future.

Looking ahead

This pilot collaboration has helped surface important insights into what it takes to bring together a diverse group of philanthropic organisations to better support WISE in Australia. Through this pilot, Partner Organisations are learning about how to better align organizational systems and processes, the resources required for good collaboration, and how to navigate difference in ways that are constructive for the sector. As the collaborative looks to the future, there are some fundamental principles for shaping good funder-funder collaborations that are emerging from this work:

**Create transparent processes** for all involved: for partner organisations, and those applying for funding.

**Approach collaboration in a spirit of mutual respect, seeking to understand, and an openness to new ideas**: strength comes from working together, and being open, interested and curious about those involved in a partnership approach.

**Be clear about roles, responsibilities, risks and rewards**: wherever possible, bring clarity and transparency to who is doing what, when and why, and revisit this throughout all stages of a collaborative process to ensure all partners have a shared understanding.

**Have the hard conversations, and challenge assumptions**: not all partners will agree on everything, all of the time. Having challenging conversations in a spirit of openness and honesty will ensure fewer surprises as the collaborative progresses.

**Foster and distribute visionary leadership**: good collaboration requires commitment, energy, a willingness to reflect and course correct. Good collaborative leadership helps to clarify directions, engage diverse perspectives, find and challenge assumptions, and distribute decision making authority. This brings momentum and progress, and a sense of moving in a shared direction.

Finding ways to embed these principles into collaborative work is itself a collaborative activity, and one that isn’t ever complete. Ensuring that partners value and commit to these ways of working up front, and throughout a collaborative process, will help to increase the likelihood that individual partner needs are met, as well as shared goals achieved.

Partner Organisations in this initiative are eager to see the progress made by those WISE receiving funding through the open grant round, and are committed to continuing to share their experiences with the sector in a spirit of openness and mutual benefit.

For more information about the 2023 WISE Grant Round, please contact XXX.

Acknowledgements

This work is made possible through the commitment of many. Thanks to the Lord Mayor’s Charitable Foundation (LMCF) for their role as Host Organisation for the WISE Grant Round, and their ongoing efforts to support WISE in Australia. Thanks also to all partner organisations who collaborated on this pilot project (in alphabetical order): English Family Foundation, LMCF, Macquarie Group Foundation, Minderoo Foundation, Paul Ramsay Foundation, Vincent Fairfax Family Foundation, and the Westpac Foundation. Special appreciation is extended to MinterEllison for their expertise in developing the MOU and ongoing pro-bono support for the collaboration, as well as members of the Social Enterprise Advisory Group who gave their time and expertise in designing the WISE grant round. Finally, thanks to all WISE who participated in the EOI and full application process, as well as in the evaluation and learning process.

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1. Pullen, T., Webster, J., & Ward-Christie, L. (2023). Understanding the Impact Costs of Work Integration Social Enterprises. Centre for Social Impact, Swinburne University of Technology, Hawthorn, Australia. [↑](#footnote-ref-1)
2. Profile of Australia’s Certified Social Enterprises (2022) [↑](#footnote-ref-2)
3. The Social Enterprise Advisory Group comprised representatives from social enterprises in Australia. The reference group provided input into the design and delivery of the WISE Grant Round, including the development of application forms and procedures. [↑](#footnote-ref-3)