Voluntary Organizations and Government Funding

PARTNERSHIPS

SKILLS
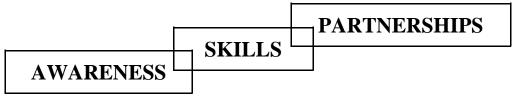
AWARENESS

An Education Strategy

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> "Voluntary organizations in Canada and elsewhere, have one
> thing in common: a sense that they are in an acute state of crisis.
> The problem is often seen as a financial one."[*]
>
> (Alex Sim, 1968)

1. INTRODUCTION

The introductory quote, written in 1968, has familiar ring to it thirty years later. Much has changed in the time period that spans the economic boom of 1960s Canada to the economic boom of late 1990s; yet much remains the same. Voluntary organizations[**], continue to face serious challenges while maintaining their significance for Canadian communities. Included in their difficulties are losses in membership and financial resources coupled with increased demands for services and assistance. These constraints might be even harder for voluntary organizations in Canadian rural communities where the population is changing and the fate of resource industries remains uncertain. The New Rural Economy Project has undertaken a study (as part of a commitment to the Canadian Rural Partnerships initiative) to determine the nature of the problems these organizations face especially in terms of their relationship to state funding agencies. This document, which is a component of that research endeavor, provides voluntary organizations in rural Canada with information for developing the best strategies to enhance their ability to gain access to government funding. Based on the research survey and extensive reviews of relevant literature and information, the authors have designated three building blocks for the basis of an education strategy.

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AWARENESS reflects the fact that those working in the voluntary sector must become familiar not only with appropriate programs and funding agencies but also with current political concerns.

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[*]From Alex Sim, 1968: *Government Grants to Voluntary Organizations*, Report for the Canadian Association for Adult Education.

[**] For the purposes of this document, voluntary organizations refer to non-profit, non government, private groups which an individual joins by choice.

AWARENESS-SKILLS-PARTNERSHIPS

SKILLS are essential for gaining access to current information and writing proposals; voluntary organizations need to ensure they have these capabilities

PARTNERSHIPS refer to the need for voluntary organizations to look beyond their own membership and communities to find suitable collaborators/associates to work with them in pursuit of funding resources.

The document presented here comprises three sections that explore the details of these important fundamentals. To begin with, background history provides a context for understanding how the state has related to the voluntary sector over time. This is followed with a discussion of the challenges faced by organizations in their relations with government funders. Solutions to those challenges are then offered in terms of developing the three building blocks: partnerships, awareness, and skills.

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2. BACKGROUND/CONTEXT[*]

The voluntary sector is said to have its beginnings in an earlier philanthropic stage in our country's history where the church, family, friends, and various related charitable organizations were largely responsible for the welfare of those in need. Although the state did not play a major role in funding these early associations, it was supportive of them and encouraged their growth. Many of the town halls in rural Canada were put in place through government grants to community groups willing to sponsor their construction. Communities with active voluntary associations were considered the ideal model of a healthy and prosperous nation.

The state has always had an interest in the voluntary associations of its people. The relationships between governments and such organizations can only be described as complex and, as many who have attempted to study the connection note, relatively unknown. Despite the lack of analysis about government involvement with the third sector, some information is available and suggests the following trends. With the rise of the "welfare state" beginning in the 1930s, the state came to play an ever increasing role in the life of voluntary associations in both direct and indirect ways. Direct contributions have been **financial**, in the form of grants for operating the organization and/or grants for special projects and **managerial**, with the state providing administrative structure and support for volunteering. Indirect influence stems from information, and assistance provided by government agencies designed to help third sector organizations become stronger and more effective in fulfilling their goals and functions.
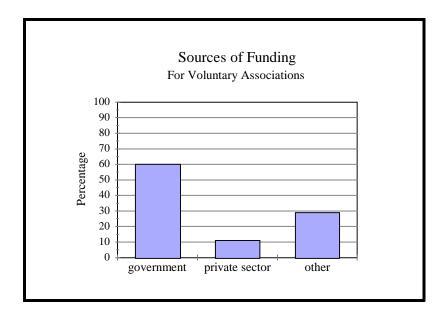
During the 1960s and 70s, the federal and provincial governments encouraged expressions of ethnic heritage and multi-culturalism signaling a new sense of Canada as a strong and diverse country. Support for these and other types of voluntary organizations became a strong factor in their proliferation, greatly increasing the diversity of third sector associations in the country. No longer were they confined to more traditional services for the disadvantaged. Instead, social justice advocacy became a goal for newly formed voluntary associations. The role of the state in supporting some of these groups was raising some political questions, in particular the support of groups that had the potential to be critical of government policy or carry on projects that might cause government sponsors some embarrassment.

Although major changes have occurred since the mid 1980s when government cutbacks and restructuring began to take hold, there continues to be very strong financial support for the third sector from the state. So, it may be more realistic to point out that it is the manner in which those funds are dispersed that has altered rather than the actual transfer of funds itself. For instance, there has been a realignment in state funding through a reduction in block funding, and a reorientation to strategic partnerships with the non-profit sector for delivering specific services. Another change has been in more short term project oriented funding rather than long term operational grants. Money for such projects is coming from lottery and casino returns rather than from the general revenue. Often the special projects require partnerships with

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[*]Note, the information used in this section comes from a variety of sources listed on the final page of this document.

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other non governmental groups to demonstrate the voluntary association is showing initiative and proposing activities that have appeal in the larger community, including business corporations. As well, short term funding allows the government to address demands for actions on current issues that are perceived as important, thereby enabling the state to appease voters demanding quick responses to immediate problems.

A graph showing the sources of funding for voluntary organizations in Canada (1996) is presented in Figure 1.

Figure 1

This depiction indicates that approximately 60 per cent of the funding received by voluntary associations comes from various levels of government. By contrast, the private sector contributes only 11.3 per cent with individuals giving more than corporations in a ratio of 5:1. The balance comes from the sale of products and services provided by voluntary organizations.[*] These statistics help to dampen the complaint that as the welfare state grew, voluntary associations would necessarily dwindle from a lack of need. Those who see the state displacing the traditional role of family and church in meeting social needs have little to back up their arguments. In fact, the estimated number of voluntary organizations in Canada was over 200,000 in 1996 and provided employment for approximately 5 per cent of the national labour force. Registered

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[*] Data for this graph is from B. Evans and J. Shields, 1998: *"Reinventing" the Third Sector: Alternative Service Delivery and the New Public Administration of the Canadian Post-Welfare State*. Working Paper Series #9, Centre for Voluntary Sector studies, Faculty of Business, Ryerson Polytechnic University, Toronto, Ontario.

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charities make up slightly less than half this total and have doubled in numbers in the last twenty years.

While the state remains a significant supporter of the third sector, there has been some instability in the level and reliability of such funding. For example, based on figures from the Canadian Heritage Ministry, recent funding transfers through its various sub-programs have varied considerably in a brief span of time. (Details are available at: http://www.pcb.gc.ca/mindep/perf/96-97/english/info-d6.htm.) Overall, a small increase occurred from 1994-1997 but that included a 10 per cent decrease during 1995-1996. As well, much of the increase from 1994-1997 can be attributed to new, apparently short-term programs. In other words many ongoing programs did not recover funding to the extent that the overall figures suggest.

Although Canadians have come to expect that federal, provincial and municipal governments will support the voluntary organizations in their communities, those same residents have unrealistic perceptions about how much support comes their way. Figure 2 reflects people's perceptions of how much funding for the voluntary sector comes from governments, and also indicates how much they feel the government should be contributing.[*]
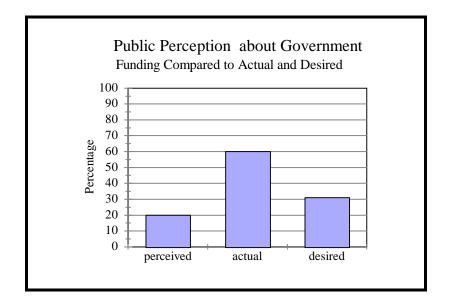

Figure 2

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[*]Data for this graph is based on statistics offered in "Imagine", an advertising supplement to the *Globe and Mail*, 1998.

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The relative lack of knowledge about the levels of support from government might help to explain why voluntary associations fail to seek such funding sources. If the perception is that the government plays a minor role in supporting voluntary organizations in communities and that it should be minor (which may be a stronger attitude in rural Canada) then it is understandable that many third sector groups are not involved in gaining state support.

Recent change in the relationship between state and voluntary organizations in Canada is most evident in the move away from large amounts of "arm's length" block funding from the government. Block funding has been replaced with project specific funding. Paralleling this shift has been the development of partnerships between government and voluntary organizations for service delivery, especially in the health and social services sector. Some commentators feel voluntary associations therefore have less autonomy to operate. Competing with private sector corporations for government contracts/funding has become the new reality.

An important issue that emerged from the NRE Study is related to the trickle down effect on volunteer organizations from federal and provincial cut backs to other levels of government. Many of the organizations have relied on assistance and support from local or municipal governments in the form of applying for funding or applying to the federal or provincial government for a summer student, providing the local group with information, etc. However, recent cut backs and amalgamation of local governments (brought about by federal and provincial constraints) have dramatically altered the situation. It means that there is less support or assistance from local governments for community voluntary associations because the resources are not there or municipal officials are now too busy to meet with third sector groups.

The reduction in support from local governments, the increased competition for donors' contributions and volunteers' hours, heightened demands for services from more diverse and challenging public needs and future uncertainty, all comprise the realty for third sector organizations in the 1990s. Perhaps more now than ever, it is necessary for voluntary organizations to develop effective relationships with government funding agencies to ensure that they are aware of relevant policy directions and funding opportunities.

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3. CHALLENGES FACING VOLUNTARY ORGANIZATIONS THAT DO APPLY FOR GOVERNMENT FUNDING.

The NRE survey of 71 rural voluntary associations across rural Canada documents a number of persistent problems. These have been tabulated in the Final Report and are repeated here in Table 1.[*]

Table 1: Range of Issues and Challenges by Type of Organization

Organization Type	Sample	Member	Funding	Local Support	Leaders	Psych. Burnout	Isolation
social service	12	5	**6**	2	1	2	4
health service	5	5	**3**	0	3	4	0
local econ. dev.	9	2	**3**	1	1	3	4
arts/culture/rec.	14	8	**7**	5	4	5	3
youth/seniors	11	11	**4**	7	6	0	3
service club	20	14	**12**	5	7	4	1
Total	71	45	**35**	25	22	18	15

As indicated, keeping and attracting members, funding and local support are all major challenges for voluntary organizations in rural Canada. These factors are also identified in most commentary on voluntary associations in recent years.

As noted earlier, governments are responsible for 60 per cent of the voluntary sector's funding so the difficulties experienced by organizations in the budgetary area will inevitably be linked to their relationships with state agencies. The Final Report for the NRE Study indicates that 66 per cent of the voluntary organizations in the sample have applied for government funding with 40 per cent of those who do apply always being successful [**].

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[*]Data for Table 1 is from Bruce and Jordan, 1999:11.

[**] Dr. John Hiemstra of King's University College in Edmonton, Alberta, conducted a study in 1997 that examined government relations with religious non-profit social agencies in that province. According to that study almost 80 per cent had applied for state funding; more than half the organizations received at least 50 per cent of their total budget from state sources while a third received from 80-100 per cent.

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Challenges facing voluntary associations when they are applying for funds were also documented in the Final Report for the NRE Study. A major problem involves finding out about available grants. A number of organization do not feel that the current practice of disseminating information about various program and grants is completely open and obvious to them, as evidenced by these comments:

- Small communities generally are out of the loop and not eligible for many opportunities.
- We often cannot get our questions answered by anyone.
- The information may be shared, but it seems that larger organizations are the ones who are always successful in receiving funding.
- We often don't get information from government, or when we do, it is incomplete and not helpful.
- It does not seem to be as well publicized in rural areas as in urban.
- No it is not completely open; the government could do more by directly mailing letters of information to the interested organizations.
- It is open, but only if you are used to dealing with government bureaucracy.
- It is not a completely open process. You need to know who to talk to.
- We are not in the loop the way that we should be. It seems that dissemination problems are getting worse.

When applications to government agencies are made, the process also came under criticism from several organizations in the NRE study. Organizations made a number of suggestions for enhancing the process, including:

- More explicit statement of the instructions, criteria, process, timelines, and regulations.
- Have government staff more available to meet face-to-face with organizations to explain programs and assist with application procedures.
- Better and more accurate information about contact information for sending in funding requests.
- Mail the forms and information directly to the organizations.
- Broader applicability of grants and programs, and more consistency from year to year.
- Provide a comprehensive listing of funds that are available.
- A one-window approach for sourcing information.
- Have government staff in decentralized locations. Offices in Toronto do not know what is going on in other areas, what is needed and what is being done.
- Provide clear, direct responses to question about the funding application and process.

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Also important to add to these points is information from the National Rural Workshop (related to the Rural Dialogue Process) held in October, 1998 where barriers to government funding were identified as:

- lack of long-term contracts
- over-lapping programmes
- information is not easily available

From the Alberta study on religious-based social agencies and the state referred to earlier (see footnote on page 7) similar challenges were identified. In that case, voluntary associations noted that applying for, and receiving government funds, had the following negative results:

- a need to become actively involved in lobbying;
- the nature of their client base altered and was more demanding;
- significant time had to be spent on "paperwork";
- their organization had to become more bureaucratic and therefore less flexible and creative;
- some reduction in private gifts and volunteer hours

These shortcomings in the grant application and funding process can be addressed by both parties. The voluntary sector needs to adopt new strategies when applying for state funding. The main goal of this document is to help them do this by provide recommendations to improve their relationships with government funding agencies. At the same time however, state agencies need to be aware of the difficulties facing their constituents. Table 2 from the NRE Final Report summarizes some of the features relevant to the organizations' difficulties.[*]

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[*]Data for Table 1 is from Bruce and Jordan, 1999:21.

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Table 2 Application Assistance by Type of Organization

Organization Type	Sample	Helpfulness of Gov't Staff [1]	Average Days Prepare Applications	Use Consultant
social service	12	2.5	20	2
health service	5	3.5	18	1
local econ. dev.	9	3.4	17	3
arts/culture/rec.	14	2.9	13	4
youth/seniors	11	3.1	18	1
service club	20	3.1	12	3
Total	71	2.9	18	14

[1] On a scale of 1 to 5, where 1 is "not helpful at all" and 5 is "extremely helpful".

This summary indicates that staff at government agencies are not perceived as particularly helpful by members of voluntary associations who have to interact with them when seeking information. Such estimations can mean frustration, disappointment ,and time loss for the organization's attempts to secure funding. The number of days used for preparing applications is also high (averaging 18) when such activity is not within the mandate of most voluntary associations. This means time is taken away from other activity directly related to the organization's mandate. Finally, the use of consultants by approximately 20 per cent of the groups surveyed suggests two things. One is that the limited budgets of many organizations may be strained even further through the costs of consultant's time, and another is that the application process is not basic or straightforward enough for ordinary citizens to work through.

When applying for funds at the provincial and federal levels it was noted by most groups that the process was too lengthy and time consuming, involving many hours of work, lengthy discussions and negotiations, and lengthy response periods.

With that it mind, the following points are worth considering for those developing and promoting government support:

• The amount of time and energy it takes to make the application takes valuable resources from the voluntary organization.
• Longer term funding provides the kind of stability the voluntary sector needs to carry out its important work.

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- Using only economic, quantifiable measures for determining the value of organizations contributions results in missing the more qualitative and immeasurable aspects.
- Seeing successful applications would be useful for organizations' learning experience.
- The lag time between spending the money and receiving the reimbursement can be onerous
- Streamlined access to finding out about possible funding programs would save time and ensure full information is available.

Although all these challenges cover a broad range of topics, they can be captured in terms of three themes, namely: **INFORMATION FLOW, EXPERTISE, and SUPPORT**. Each of these factors is related to one of the building blocks for the education strategy. Information flows tie directly into Awareness; expertise to Skills and support is linked directly to Partnerships. The next sections deal directly with how to enhance each one.

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4.   HOW TO MEET THESE CHALLENGES

There are three basic areas where voluntary associations need to concentrate efforts if they want to be more successful when applying for funding from state agencies. As noted in the introduction, awareness, skills and partnerships, are pictured as three building blocks of an education strategy.

4.1   Awareness

Voluntary associations must ensure that they keep informed about issues, possibilities, and trends related to their interests. Information flow and/or exchanges are determined by two different elements: one is the practical technological aspects focused primarily on using the Internet and other media; the other is more abstract and relates to developing a sensitivity for what are politically important issues. In this section, these two aspects are reviewed and followed by a list of recommendations for voluntary associations to pursue with respect to heightening their awareness.

4.1.1 Technology

A great deal of ambivalence by voluntary organizations towards computer technology and the use of electronic media for gaining information and enhancing communication. On the one hand, the possibilities for the instant transfer of material to a large number of people and groups widely spread over geographic regions makes disseminating information a relatively easy task. On the other hand, the funds, skill and confidence required to use computers can be a barrier to many working in voluntary associations, especially in rural Canada. It is interesting to note that an Ontario initiative to enhance volunteerism found that while spokespersons for the organizations favoured the increased use of Internet and computer aided communication, the individual volunteers did not. The NRE Final Report for the rural Canada voluntary sector study confirms this tendency with fewer than 5 out of the 71 representatives of voluntary organizations saying that they would prefer to have information from the Internet and through the media. Instead the groups surveyed favoured the kinds of communication sources listed in Table 3 (from the final report for the NRE study).[*]

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[*]Data for Table 1 is from Bruce and Jordan, 1999:20

Table 3   Preferred Information Source for Government Funds by Type of Organization

Organization Type	Sample	Direct Mail	Gov't Staff	Gov't Publication	Politician	Funding Database
social service	12	5	4	4	0	0
health service	5	3	3	3	3	1
local econ. dev.	9	3	5	4	2	3
arts/culture/rec.	14	8	6	5	2	1
youth/seniors	11	5	4	3	2	1
service club	20	8	3	6	2	3
Total	71	33	25	24	11	9

The preferences listed suggest a rather passive approach to gaining necessary information, one where government agencies have the responsibility to ensure the various voluntary associations are provided with documents and material related to the latest funding opportunities. If third sector organizations want to thrive in the coming years, they will have to take a more pro-active approach in this area and seek out possible funding sources in the government as well as non government sectors. The use of computers and Internet communication is going to become more not less relevant.

The ability to use e-mail and search the Internet is important to an organization for several reasons. Internet Search capacity can assist an organization in staying abreast of the policy of funding agencies and their current funding programs. E-mail allows for efficient communication with those same agencies. Both Internet search capacity and e-mail communication also allow a volunteer group to stay in better contact with parent organizations, similar organizations within their sector, and the volunteer and non-profit sectors nationally and internationally.

State agencies have been promoting Internet use in rural areas and have accomplished significant improvements in terms of developing the necessary infrastructure so that tele-commuting can occur. Programs oriented to the goal of having rural Canada connected and functioning in the electronic world are described in more detail-including contact information-in Appendix A. Those most important for voluntary organizations are:

- **Computers for Schools**-a program providing schools and libraries with computers to ensure wide accessibility for **Schoolnet**, **Community Access Program** and other resources available on the Web
- **Canadian Technology Network**-gives small and medium-sized firms quick personal access to expertise, advice and information about how to solve business problems

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- **Geo-Connections**-will connect users to geographic information for planning, resource management and other issues.

One of the most significant Internet related initiatives for voluntary organizations offered by the federal government is **the Voluntary Sector Network Support Program (VolNet)**. This effort is a program which has a goal of helping 10,000 voluntary organizations to get on-line by March 31, 2001. This includes providing Internet connectivity, computer equipment, Internet support and skills development to organizations which do not yet have these tools. VolNet is part of the government's Connecting Canadians initiative, which aims to make the Information Highway accessible to all Canadians in the new millennium. It is a program designed to help charitable or non-profit voluntary organizations get connected to the Internet and will help with computer equipment and skills training. VolNet addresses these issues with its mission of enabling voluntary organizations to access and use Internet technologies to further their own missions.

Some voluntary organizations have put significant effort into ensuring their members are well informed about issues of concern. For instance, **The Canadian Centre for Philanthropy** (CCP) sponsors a web site at: http:// www.ccp.ca where a great deal of donor information is available to subscribers. The CCP is a national charitable organization dedicated to advancing the role and interests of the charitable sector for the benefit of Canadian communities. As a membership-based, leadership organization for charitable, voluntary organizations, and the corporations and foundations that support them, CCP generates and gathers information and analysis about the environment in which Canadian charities operate. Their goal is to help strengthen charitable, voluntary, and non-profit organizations through public affairs, research, and information resources.

Given the general lack of interest in computer-based communication, it is not surprising that many organizations surveyed in the NRE study were unlikely to have web sites themselves. Yet, for the purposes of developing partnerships with other voluntary associations and /or business groups, such features are becoming a necessity. To defray the costs and lack of capability with computer technology, voluntary organizations should consider pursuing the following recommendations:

U   Approach corporate sponsors for help with computer expertise.
U   Take advantage of government sponsored training in the field of computer technology and Internet communications such as Volnet and Community Access Programs.
U   Consider using volunteers from the pool of rural youth who have computer skills and are anxious to use them.
U   Join with other voluntary associations in the rural community to work together and gain access to any and all of the above.

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4.1.2 Political Trends

Transferring funds from the state to voluntary associations through grants occurs in a political culture that reflects social concerns. Both the donors and the recipients have their own agendas when taking part in such exchanges. Governments, for instance, will tailor their agencies' programs according to perceived needs for political action. Although voluntary associations are less likely to modify goal and mission statements according to the prevalent social issue of the day, they are wise to have built into their mandate a degree of flexibility allowing them to focus on current social concerns. Voluntary associations have to be aware of the current social problems and consider how they can meet related needs not only to satisfy conditions for receiving available government funding, but also to have relevance and appeal for their fellow citizens.

There are several ways to ensure a voluntary association knows what are the key issues concerning government circles. Keeping in touch on a regular basis with representatives (whether federal, provincial, and/or municipal) is a basic method for knowing what concerns are being raised at all three levels. At the same time, maintaining a high profile with these people and asking them to ensure information about the latest government programs and funding opportunities is passed on will only be a benefit. Awareness is also enhanced by monitoring news media and learning about what social trends are given credence. Look to other industrialized countries and note what the topical social issues are there. Canada will not differ dramatically from them, although there may be time differences in terms of which society adopts an issue first.

To develop an awareness of important political issues, voluntary groups should consider:

U   Goal and mission statements that are flexible enough to be adapted to current social issues.
U   Regular meetings with government representatives for communities.
U   Not to wait for these representatives to tell you about programs, be pro-active and ask them for details.
U   Keep abreast of current and potential social problems.

4.2   Skills

The real strength of the voluntary sector lies in the people who make up the paid and volunteer staff of organizations. This is the case not only because these organizations are often deficient in terms of funding and material assets, but because the human component of volunteer groups is capable of considerable growth and development along with their organizations. There are several aspects to the skills needed in voluntary organizations, especially in terms of how they will help the association in its relations with government agencies. Identified here are three key areas for skills development: computer skills, proposal writing, and strategy development.

4.2.1 Computer skills

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As highlighted in the NRE study, one of the most pressing skill development needs for voluntary sector organizations is in computer applications. Basic computing capacity and skill are useful in their own right because they allow even the smallest organization to handle many tasks efficiently. These include preparing their own quality documents (such as funding proposals and reports), automating financial management and keeping databases for any information related to their organization. The federal government's Community Access Program is designed to help members of organizations improve their internet access and computer skills. (For more information, check Appendix "A", Page ii)

More important for fund raising, basic computing capacity and skill are a foundation for electronic communication. The ability to use e-mail and Internet for funding and/or related research is based on basic computer skill. This includes a working knowledge of how computers work, and the fundamentals of a "Windows" operating system. Fortunately, however, once this knowledge is in place, e-mail and Internet software are among the easiest types of applications to learn.

Computer hardware and computer skills will not in themselves dramatically alter the funding situation for any given organization. However, they have the potential to assist by providing another timely means for finding funding information and by improving (or at least expanding the opportunities for) communication with funding sources, similar organizations, and the broader voluntary community. All indications are that computer skills are becoming an increasingly important feature for any organization to function. Voluntary associations are no exception and will have to incorporate electronic technology into their future strategies if they have not yet done so.

4.2.2 Develop a Strategy for Seeking Funding

One way to ensure that funding issues are adequately addressed is to develop a strategic approach to securing financial support. This is a key component in an overall strategic planning process. Because government funding will never be 100 per cent of a voluntary organizations budgetary income, it is important to have a strategy that identifies all possible resources and how they can be integrated. Being strategic in fund raising is less about skill and more about method or approach. At the very least, a strategic approach to funding should include the following characteristics:

- It is ongoing, continually revisited and updated.
- Key government ministries and agencies are identified, and their policy directions and funding programs are routinely investigated (one excellent use of the Internet skills mentioned above).
- A statement of the objectives and how to meet them is prepared.
- The goals, objectives, issues, and needs are continually revisited, updated and prioritized with respect to funding.

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- Ideally, a funding strategy should be pro-active. In other words, where possible the organization should be seeking funding related to their priorities rather than drastically altering priorities to match a particular funding program.

A strategic approach to funding should result in fund raising efforts that are more efficient as to the time and effort involved, more effective in securing funding, and more consistent.

4.2.3. Proposal Writing and Funding Application Skills

A common frustration expressed by voluntary organizations in the NRE survey was with the difficulty in preparing proposals and applications and the time involved. Some program applications and requests for proposals are undoubtedly too complex. However, developing good proposal writing and application response skills can reduce the time and effort involved. It is important to note at the outset that not all groups or volunteer will have the same background level of skills and training in these areas. The 'learning curve' for people and groups will vary as will the degree of confidence they express in being able to contact and interact with government agencies and representatives directly.

Writing proposals and filling out applications for funding are tasks important to voluntary organizations, whether they seek funding from the private or public sector. Writing these documents involves skills that can be learned and developed. Ideally, good proposal writing starts with the strategic approach to funding discussed in the previous section. As part of a strategic plan, any proposal or application process is founded on a clear understanding of the organization's goals and objectives. This should clarify how the targeted funding program will meet the organizational needs.

The large variety of funding programs means that no generic formula exists for writing a proposal or filling out an application. However, there are several key skills that will help in any process. Some key skill characteristics of organizations that are successful in applying for funding include:

- **Self-Awareness**

Organizations that are successful in securing funding have a high-degree of self-awareness. This includes fully understanding organizational goals and objectives (as part of the overall funding strategy). Awareness also includes a firm knowledge of the needs and the strengths of the organization. Knowing, and being able to articulate, goals, objectives, needs, and strengths will allow the organization to convince the funding agency of the "fit" with their program goals and objectives. Knowing strengths will allow the organization to assess its ability to use the funds efficiently and effectively. Again, this knowledge can be useful in communicating an organization's suitability for receiving the funding.

- **Critical and Creative Thinking**

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Successful organizations are capable of critical and creative thinking. Each of these skill sets is employed at different times in the development of a proposal or application. Critical thinking is employed during the development of a funding strategy and during the initial evaluation of a request for proposal (rfp) or the details of an application procedure. Critical thinking during these stages involves asking questions about such things as appropriateness, clarity, and consistency. In other words, examining the rfp or application procedures critically and objectively will allow organizations to decide if the funding program is appropriate for their needs, and if they can meet the obligations imposed by the funding arrangement.

Although it seems contradictory, there is a role for creative thinking in developing a proposal or application. Creative thinking can be employed in areas such as developing partnerships, producing in-kind matching funding, and in showing the appropriateness of funding for attaining a given organization's goal.

Critical thinking dominates again as the proposal or application reaches completion. Critical evaluation will ensure that all the required components have been addressed, that the information is consistent and that the whole proposal or application clearly and accurately presents the organizations need for the funding and suitability for receiving it under the funding program.

Critical and creative thinking are skill sets that can be developed. Typically, they are underdeveloped in individuals and in organizations. However, there are a myriad of resources for developing these skills, many of which can be accessed on the Internet.

- **Know when and how to seek assistance**

Organizations successful in securing funding know when and how to seek assistance. This assistance can take at least three forms: **clarification and assistance** from the funding agency; outside help in the form of a **consultant**, and help through the **example**s of successful proposals and applications created by similar groups applying for similar funding.

Organizations should not hesitate to seek general information about the funding program, clarification on criteria, and assistance with completing the process. However, assistance of this kind is much more likely if the request comes from an organization that is well prepared, focused, and has already put effort into the process. In other words, the organization, through a strategic process, is working from a position of self-awareness. Here, requests for assistance are more likely to be specific and appropriate, and more likely to be resolved to the satisfaction of both parties.

Many organizations seek outside help in the form of consultants with expertise in applying for funding. This approach is fine if the organization can afford it. Again, the consultant cannot compensate for a lack of self-awareness and clarity within the organization. Organizations should consider these situations as learning processes, learning how the consultant approaches the task. In this way, the organizational capacity to deal with proposals and applications is increased.

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•   **Understand the budgeting process**

Successful organizations understand the budgeting process. Budgeting is, arguably, one of the most difficult and critical components in a proposal or application. Accurate and reasonable budgets depend on an understanding of the costs of materials and services involved in the program or project for which funding is being sought. Depending on the nature of the project or program, the organization could use information from their own activities and experience. Examples of successful proposals or applications for similar programs or projects are another reference source. When budget information is required, it should be as accurate as possible, and at the level of detail requested.

Good proposal and application writing skills can make the difference between being awarded funding and being rejected by a funding agency. These skills can be learned and developed, and proposal and application knowledge can be deliberately accumulated as part of an overall funding strategy.

Improving the skills available to voluntary organizations involves the following:
U   Develop a strategy for seeking funding that is part of an overall strategic planning process.
U   Increase self-awareness about the organization.
U   Adopt critical and creative thinking skills.
U   Get help when you need it.
U   Develop reasonable and well thought through budgets.
U   Build up proposal writing skills through contacts with other community groups that have been successful.

4.3 Partnerships

Among the many "buzz-words " of the 1990s, the term "partnership" heads the list. Combining forces to improve efficiencies and reduce potential conflict in society has become the new standard. The need to find partners in the corporate and non-government realm for funding proposals to government agencies is becoming a basic requirement. For some voluntary associations, the notion of partnering with government creates conflicts of interest if the goal of the organization includes activity reflecting criticism of current policy and programs. This conflict can be even more pronounced when voluntary associations are encouraged to find partners in the corporate world. The consequences of certain business practices and industrial activity can include the very situation that some third sector groups are fighting against. As the state alters its role in direct funding for the voluntary sector, corporations are expected to help take up the slack by partnering with groups in search of resources. Some note the advent of joining forces with corporate sponsors is akin to "switching elephants" in bed: voluntary organizations are still in a subordinate position and struggle to maintain their identity and goals.
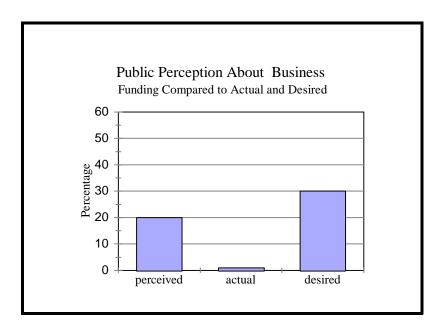
Given the current trends and expectations, voluntary associations have no choice but to develop their partnering capabilities. Although many government grants require such liaisons, that is not

the only reason to pursue such arrangements. Partnerships with corporate groups and organizations will also enhance the resources available to a voluntary association in terms of support through:

U   sharing experience and expertise,
U   increasing the networks available for information gathering,
U   providing in-kind services in the form of volunteer hours, office supplies, etc.,
U   promoting the voluntary organization's goals,
U   demonstrating a certain legitimacy for voluntary organizations; ie: if a business takes them seriously they must be reputable.

Some corporations appreciate that the voluntary sector plays an important role in providing stable and healthy communities for the workforce needed to run those organizations and to purchase their products and services. A relatively new term for the networks and reciprocity that provide that stability and health is "social capital". Many studies indicate this social capital can be transformed into improved economic and political participation, as well as bringing about improvement in individuals' human capital (skills and education).This new appreciation of the role community plays in economic and human health has encouraged private business to pay more attention to voluntary associations and their needs. Up until now, financial support from corporations for non-profit groups has been minimal as Figure 3 depicts.[*]

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[*]Data for this graph is based on statistics offered in "Imagine", an advertising supplement to the *Globe and Mail*, 1998.

Figure 3

Rather than providing 20 per cent of voluntary associations funding as the public thinks they do, or 30 per cent as the public believes they should, corporations give **less than** 2 per cent to that sector. There is obviously a large pool of resources to be tapped and brought into the third sector domain. But, those resources are not only financial ones. Voluntary associations need to be creative in thinking about forms of partnership with the business world and should consider how corporations might help with:

- office supplies and technical expertise
- office space
- providing volunteer workers through their employees
- help with writing proposals and reports

A Canadian organization devoted to increasing corporate sponsorship of voluntary activity is called *Imagine* and operates under the auspices of the Canadian Centre for Philanthropy. For the past decade, this group has promoted the value of voluntary associations to the business community under the rubric of "corporate citizenship". Besides the stability and enhanced quality of life that voluntary associations bring to communities, *Imagine* cites the following as reasons why corporations should consider being more involved with the third sector:

- tax benefits if the organization has charitable status
- provides good public relations and improves the corporate image

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- employees are more satisfied when they see their company sponsoring a voluntary association they believe in.

The following are some key points for voluntary organizations to follow when developing partnerships:

U Identify (and prioritize) the corporations and businesses that could have an interest your voluntary organization and learn something about them;
U Identify how an affiliation with your organization will be a positive step for them;
U Approach them through the person designated as the "donations officer" or "corporate foundation director";
U Be aware of when the business makes its decisions regarding donations and voluntary association support;
U Know about your own association; how and why would a corporation want to sponsor it;
U Be aware of your organization's image in the community;
U Make sure all members of the organization support the attempt to gain corporate partners;
U If possible, get a personal contact with some of the employees in the business and ask them to promote your association within the business;
U Consider ways that a business might be able to help beyond just giving financial donations.
U Evaluate your past attempts and develop strategies based on what did and did not work.

Partnerships should also be looked for among voluntary organizations within the community and beyond. As noted in an Ontario initiative to enhance volunteerism that received input from many rural community volunteers and their organizations: "the voluntary sector needs to start working together-sharing resources and information, building partnerships, improving communication, and participating in joint training initiatives. The sector should provide an environment that encourages and supports volunteers." There are many ways for these groups to share resources, information and expertise for their mutual benefit. It may be that a number of voluntary associations together will have a better chance of finding the necessary corporate partners to develop proposals for various government funding opportunities.

U get to know the other voluntary sector organizations in the community and region;
U see if there are areas where working together and developing common goals is possible;
U focus on organizations that have volunteers with the type of qualities your group needs;
U remember that many volunteers want to gain experience for future employment; try to provide them with opportunities to develop useful skills.

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5. CONCLUSION

It is clear from this discussion that the three building blocks are all related. Developing skills and expertise is going to enhance awareness of what resources are available and how to get access to them, as well as improve a voluntary organization's chances of attracting corporate and other non-government sponsorship. In turn the partnerships that are developed can improve the level of skills and expertise in third sector groups along with an awareness of how the funding systems work. By adopting these basic elements in their strategy for working with government agencies, voluntary organizations in rural Canada will be in a better position to continue serving their communities.

As the 21st century approaches, there will be an ever-increasing need to support and bolster the voluntary sectors in both rural and urban Canada. These groups have always played an important social role and continue to face challenges and problems that must be overcome. The information in this document is offered as support for those voluntary associations searching for a strategy to adopt when dealing with government agencies. By focusing on the three fundamentals: skills, awareness and partnerships, third sector organizations will achieve greater success in their attempts to receive and disseminate information, to gain expertise, and to find support for their community efforts.

By way of conclusion, the key points from the previous section are repeated in condensed form here:

AWARENESS
i   Contact Volnet and take advantage of support for getting on the Web. (www.volnet.org)
i   Contact The Canadian Centre for Philanthropy and learn how to enhance partnerships with non-government funding agencies. (www.ccp.ca)
i   Approach corporate sponsors for help with computer expertise.
i   Have goal and mission statements that are flexible enough to be adapted to current social issues.
i   Have regular meetings with government representatives for your community.
i   Do not wait for these representatives to tell you about programs, be pro-active and ask them for details.
i   Keep abreast of current and potential social problems.

SKILLS
i   Take advantage of government sponsored training in the field of computer technology and Internet communications.
i   Consider using volunteers from the pool of rural youth who have computer skills and are anxious to use them.
i   Join with other voluntary associations in the rural community to work together and gain access to any and all of the above.

AWARENESS-SKILLS-PARTNERSHIPS

- Develop a strategy for seeking funding that is part of an overall strategic planning process.
- Increase self-awareness about your organization.
- Adopt critical and creative thinking skills.
- Get help when you need it.
- Develop budgets that are reasonable and thorough.
- Build up proposal writing skills through contacts with other community groups that have been successful.

PARTNERSHIPS:
- Identify the major corporations that could have an interest in your organization.
- Approach them through the person designated as the "donations officer" or "corporate foundation director".
- Know about your own association; how and why would a corporation want to sponsor it.
- If possible, get a personal contact with some of the employees in the business and ask them to promote your association within the business.
- Consider ways that a business might be able to help beyond just giving financial donations.
- Get to know the other voluntary sector organizations in your community and region.
- See if there are areas where you can work together and develop common goals.
- Focus on organizations that have volunteers with the type of qualities your group needs.
- Remember that many volunteers want to gain experience for future employment; try to provide them with opportunities to develop useful skills.

AWARENESS-SKILLS-PARTNERSHIPS

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AWARENESS-SKILLS-PARTNERSHIPS

APPENDIX A

CONTACTS FOR PROGRAMS, ORGANIZATIONS AND INITIATIVES PERTINENT TO VOLUNTARY ORGANIZATIONS

A. Federal Government Programs

1. VolNet

What is it?

The Voluntary Sector Network Support Program (VolNet) is a new federal government program administered by Industry Canada. A part of the government's Connecting Canadians initiative to make Canada the most connected country in the world, VolNet's goal is to offer Internet connectivity, including computer equipment, Internet skills development and support to 10 000 voluntary organizations by March 31, 2001.

VolNet will improve the voluntary sector's access to information technology and to the skills and tools it needs to play a stronger role in Canadian society. VolNet's mission is to enable voluntary organizations to access and use Internet technologies to further their own mission.

Who's involved?

VolNet is a joint undertaking of the federal government and the public, private and voluntary sectors. It is guided by the VolNet National Advisory Committee (VNAC), which comprises voluntary and private sector representatives, and federal government officials. The VolNet program design reflects key recommendations made by VNAC in its report, Building the Technological Capacity of the Voluntary Sector (January 1999).

How does it work?

Industry Canada is creating a network of VolNet delivery agencies, which will provide VolNet services to eligible charitable and not-for-profit organizations. Voluntary organizations wanting to take advantage of VolNet's services will apply through these delivery agencies, which will be responsible for identifying eligible VolNet Service Package recipients, assessing their needs, and purchasing goods and services on their behalf. Delivery agencies will also provide ongoing assistance in integrating new technologies into recipients' day-to-day work.

The VolNet Service Package includes three components:

! Internet access and support services - a basic Internet account for one year.
! Computer equipment needed to connect to the Internet - 50 percent of the cost of the equipment is covered by Industry Canada (up to a maximum specified by VolNet), with the recipient paying the remainder.
! Basic Internet skills development - basic Internet skills development to get on-line and start using the Internet.

In addition to the VolNet Service Package, VolNet also makes available applied learning opportunities and ongoing support, such as on-line discussion groups, workshops and a volunteer recruitment program to provide technological assistance to voluntary organizations in need.

Industry Canada is holding an ongoing competition inviting potential delivery agencies to submit proposals. Proposals are submitted to VNAC for review against specific eligibility and evaluation criteria. VNAC then makes recommendations to Industry Canada on which proposals to support.

Industry Canada is seeking organizations or consortiums with a mix of Internet and voluntary sector experience to take on the role of delivery agencies. Delivery agencies may be not-for-profit organizations working in the community Internet field, charities or not-for-profits with Internet project experience, or consortiums that include a not-for-profit organization and a for-profit Internet services company.

For more information, please contact:

> Telephone: 1-800-575-9200
> TTY: 1-800-465-7735
> E-mail: volnet@ic.gc.ca
> Web site: http://www.volnet.org

2. Community Access Program

This program helps communities in Canada's rural, remote and urban settings achieve universal, sustained and affordable public access to the Internet, as well as the skills they need to use it effectively.

Who can use it?

Not-for-profit community organizations including schools, libraries, economic development corporations, chambers of commerce, community networks and social clubs.

What does it do?

The Community Access Program (CAP) supports community-based partnerships that offer public access to Internet tools that can help create jobs and economic growth. In general, the program increases Internet access and technology-based knowledge in communities and provides them with the ability to communicate with each other and the world, conduct business, enhance job skills and exchange information and ideas.

Along with the 5,000 rural access sites currently being established, the program will help to create up to 5,000 additional Internet access sites in urban neighbourhoods across Canada, bringing the number of community access sites up to 10,000 by the year 2000.

As well, under the sponsorship of the Youth Employment Strategy, CAP sites will be able to develop job opportunities for young Canadians aged 15 to 30.

Who funds and delivers it?

As announced in the 1998 Federal Budget, the federal government, through Industry Canada, is investing $205 million over three years to fund the Community Access Program and SchoolNet, and to introduce VolNet which will bring Internet access to volunteer groups.

What do I have to do?

You can get more information on the application process by contacting the Community Access Program:

Toll-free: 1-800-268-6608
E-mail: comaccess@ic.gc.ca
Internet: http://cap.unb.ca

3. Canada's SchoolNet

This collaborative initiative aims to link all 16,500 Canadian schools and 3,400 libraries to the information highway by the end of Fiscal year 1998 - 1999. First Nations SchoolNet has connected 80 per cent of all First Nations schools under federal jurisdiction to the Internet in partnership with Stentor and the Assembly of First Nations.

Who can use it?

Learners of all ages, from across Canada, are invited to use SchoolNet.

What does it do?

SchoolNet is a set of French and English Internet-based educational services and resources offering learners access to innovative, interactive learning tools. It provides a single, easy-to-use platform to explore the power and potential of the Internet. SchoolNet is user-driven, with strict guidelines that provide a safe and exciting on-line learning environment. Ideas and projects developed by students in Canada can be shared across the country and around the world.

Who funds and delivers it?

SchoolNet is administered by Industry Canada and run through the co-operative efforts of the provinces, volunteer organizations and the generosity of the Canadian business community. In many cases provincially-led education networks are helping connect their schools or provide

Internet accounts for their schools. In some areas, SchoolNet is also accessible through local community networks. Commercial providers and some telecommunications companies also sell Internet access.

What do I have to do?

For more information, please contact Canada's SchoolNet:

> Canada's SchoolNet and LibraryNet Programs
> Tel.: (613) 998-7166
> Fax: (613) 941-1296
> Toll-free: 1-800-268-6608
> E-mail: schoolnet@ic.gc.ca
> Internet: http://www.schoolnet.ca
> Elise Boisjoly, Executive Director
> E-mail: boisjoly.elise@ic.gc.ca

4. Computers for Schools

This program provides schools and libraries across Canada with used computer equipment donated by governments and the private sector.

Who can use it?

All schools and public libraries across Canada. Rural schools are generally in a higher priority position vis-a-vis eligibility as they tend to lag behind their urban counterparts in terms of student-to-computer ratios. Equity of access to surplus computers and software is the fundamental distribution criterion for the program.

What does it do?

Computers for Schools is a volunteer-based program that collects, refurbishes and delivers surplus computers to schools and libraries. The program's goal is to place 250,000 computers in the nation's schools by March 31, 2001. Schools, school boards and libraries can apply to receive computers. Provincial committees, representing governments, educators, libraries and parents, consider applications and determine allocation.

Who funds and delivers it?

Computers for Schools is a joint program of the federal government and the Telephone Pioneers, a non-profit organization of volunteers who are active or retired employees from the telecommunications industry. The program is administered by Industry Canada, and all provincial

governments actively support and participate in it. The business community and individuals generously donate equipment and infrastructure support.

What do I have to do?

For applications or more information, please contact your local school board or library association, or contact Industry Canada.

> Toll-free: 1-888-636-9899
> Fax: (613) 957-1201
> E-mail: cfs.ope@ic.gc.ca
> Internet: http://www.schoolnet.ca/cfs-ope

5. Canadian Technology Network

The Canadian Technology Network provides innovative Canadian small and medium-sized firms with quick and personal access to expertise, advice and information about how to meet technology and related business challenges.

Who can use it?

Canadian small and medium-sized firms looking for innovation-related help.

What does it do?

The network's advisors from more than 800 member organizations across Canada provide personalized, confidential, one-on-one assistance during any phase of a business's innovation efforts -- from its first research and development planning efforts to the final steps of commercialization of products or services -- providing assistance in more than 11,000 areas of expertise.

Network advisors will discuss a business idea or project and carry out a needs assessment. They will offer advice and, if necessary, refer the business to an expert or group of experts where appropriate assistance can be obtained.

The network provides resources such as technical expertise or facilities required to conceive, develop and engineer an idea, as well as financial, management, marketing and other assistance required to achieve commercial success.

Examples of assistance include:

> access to technology solutions (patents, testing
> facilities, experts, etc.);
> relevant information on government and private sector
> programs or services;
> benchmarking industry and technical best practices;
> managing technology;
> marketing services;
> training;
> financing (private and public sources);
> information on standards and regulations;
> assessment and evaluation of technologies.

Who funds and delivers it?

The Canadian Technology Network is funded and managed by the National Research Council's Industrial Research Assistance Program. The services are delivered to entrepreneurs by 350 experts.

What do I have to do?

You may contact an expert advisor directly using the National Research Council's database which is organized by expertise, member organization's name or region of Canada.

Internet: http://ctn.nrc.ca

For more information, contact the National Research Council's CTN Regional Co-ordinator:

Alberta and Northwest Territories
Carla Campbell
Tel.: (403) 292-4240
Fax: (403) 292-4255

Maritimes
Bonnie Murray
Tel.: (506) 854-3768
Fax: (506) 854-3769

British Columbia and Yukon
Jim Smyth
Tel.: (604) 713-7805
Fax: (604) 685-9623

Newfoundland
Richard Fuchs
Tel.: (709) 772-4342
Fax: (709) 772-2462

Manitoba
Jacqueline Chartrand
Tel.: (204) 945-6888
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Ontario
Tel.: (416) 973-1419

Quebec
Info-Entrepreneurs
Tel.: (514) 871-4000

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Tel.: (306) 933-7522
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Tel.: (613) 993-5363
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6. Geo-Connections Secretariat

615 Booth Street Rm. 650
Ottawa ON K1A 0E9
Tel: 613-992-8609
Fax: 613-947-241
E-mail: info@geoconnections.org
Internet: http://cgdi.gc.ca

B. Other Sites and Addresses

Canadian Centre for Philanthropy
425 University Avenue, 7th Floor
Toronto ON M5G 1T6
Tel: 416-597-2293
Fax: 416-597-2294
Email: general@ccp.ca
Internet: http://www.ccp.ca