



Grantmaking in the Age of AI

A Collaborative Design Studio – Report, September 2025



Introduction

Emerging uses of Generative AI are reshaping how we access, create, and interact with information and data. Consequently, this will shift how we operate as organisations, how we engage with communities we serve, and how resources are accessed and distributed.

Nonprofits are increasingly adopting AI for fundraising, administrative tasks, and donor engagement – with 76% of charities using AI, up from 61% in 2024 ([2025 Charity Digital Skills](#))

[Report](#)). And, according to the [Technology Association of Grantmakers State of Philanthropy Tech](#) report from last year: 81% of staff at grantmaking organisations are experimenting and using AI tools in their every day despite the fact that approximately two-thirds of funders lack governance or a policy to guide AI usage.

For grantmakers, the promise of AI is significant: faster processes, deeper insights, and new ways to meet community needs. Yet the risks are equally real: bias, inequity, and solutions that prioritise technology over people.

In 2024, TAG surfaced sector-wide insights into what funders want from AI. Grantmakers asked for clarity in applications, quicker and more flexible processes, light-touch funding, and a clear definition of where human judgment remains essential. The experiences of CAST's AI for Grantmakers network of over 370, suggest that UK grant makers are similarly exploring and experimenting with making grant making processes more efficient. At the same time, IVAR's research shows that an [Open and Trusting](#) approach to grant making can save funders time, build relationships, and improve impact.

In September 2025, we built on those insights. TAG, [CAST](#) and [IVAR](#) partnered to convene a design studio, hosted in London, that brought together 27 leaders from funders, charities, and technologists to explore the following provocation:

The form-based application process is broken in the age of GenAI. What are the new approaches to distributing precious resources to the best placed people, places, and organisations?

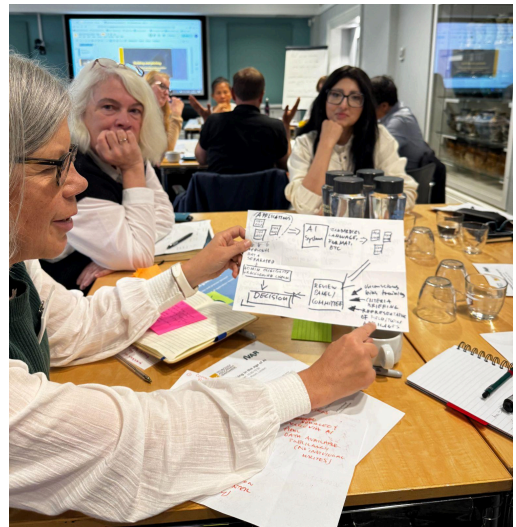
This was no ordinary event about AI, which typically tends to focus on how organisations can leverage AI to create greater efficiencies. Instead, this session aimed to take a step back from augmenting existing processes with AI and sought to focus on solving long-standing problems to completely rethink grantmaking.

Together this cross-sector group considered how AI might make current application processes redundant. They surfaced and explored 5 persistent challenges that could be exacerbated as AI adoption continues to accelerate:

- (1) How do we define, find, and become findable by the best candidates—especially those not visible in existing data?
- (2) How can we use data to drive great decisions at every stage, ensuring the best outcomes?
- (3) How might we embed trust-based learning throughout the experience?
- (4) How can data help us identify and prioritize strategic needs and hotspots?
- (5) How do we ensure funding decisions are inclusive and equitable?

How We Used Our Time To Align and Design

- **Design sprint in a day.** A lightly structured agenda moved from context to problem framing, then into prototyping and share-outs. Outputs were not pre-decided. A lunchtime huddle aligned on what could be produced and why it mattered.
- **Start-up brief.** Our groups were asked to act as a new grantmaker with one constraint. Distribute 50 million pounds effectively. Imagining that it had no legacy systems. Then, design a process that directs funds to the right individuals and locations, leveraging the combined efforts of AI and humans.



- **Knowledge boards.** Each table captured three lanes; “what we know”; “what we think we know”; and “what we need to know.” Priorities were merged into one shared board to guide prototyping.
- **Presenting ideas:** Each group then shared their own table’s outcomes and ideas, which were vastly different but had many of the duplicate main threads running through them, which was fascinating to see.

Five Key Themes Emerged

AI is not a silver bullet.

While AI can expedite tasks and streamline our processes, without human-centred redesign, it risks exacerbating existing systemic issues. Participants identified pre-existing flaws in current approaches. Form-based processes frequently misrepresent organisational capabilities and perpetuate inequity.

Our design lab recognised that AI offers new tools, but it cannot solve the systemic challenges confronting the sector. Persistent problems such as inequity, bias, and inefficiency demand human collaboration. AI adoption must be guided by human needs, not solely by technology.

Collaboration and diversity of perspective

Technology thrives not as a solo endeavour, but as a collaborative team effort. The day's discussions consistently highlighted that its true potential is unlocked when funders, technologists, and practitioners unite, bringing their diverse and vital perspectives to the table. This synergy leads to more robust and relevant solutions.

The development of AI-generated outputs underscores the importance of this collaborative approach. Such outputs can sometimes misrepresent an organisation's true quality, making mixed teams, encompassing expertise in grantmaking, community knowledge, data, and delivery, even more valuable. As Jean Westrick, TAG's executive director, aptly summarised, 'technological advancements only deliver genuine value when they serve human needs and are developed within a community context.'

Responsible and beneficial AI

AI requires guardrails to be safe and trustworthy, much like cars needed seatbelts, crash-test dummies, and rules of the road before widespread adoption. Responsible frameworks create trust and, in turn, accelerate responsible adoption.

Iteration and proof of concept

Innovation cannot happen without safe spaces for experimentation. Developing AI for grantmaking requires opportunities to explore challenges, create proofs of concept, and iterate on solutions until they are fit for purpose. Prototyping and testing in safe environments are critical before scaling solutions. Grantmakers can play a key role in funding this cycle of prototyping and refinement.

Global relevance

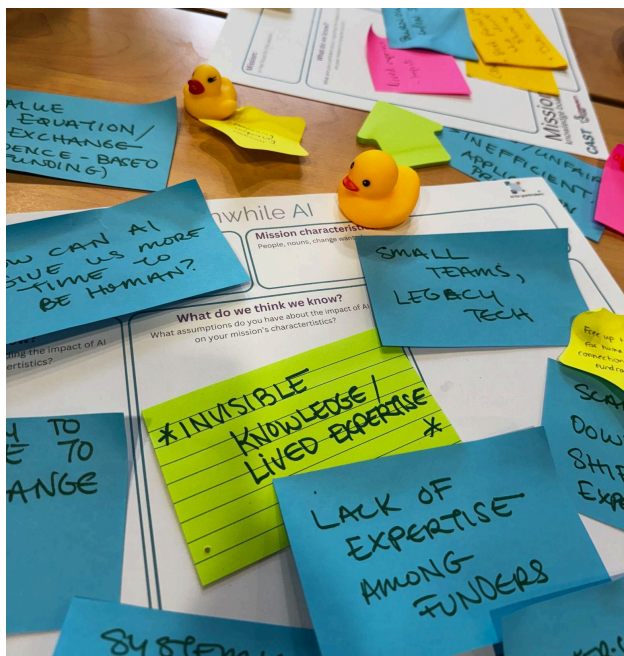
The challenges facing funders in the US, UK, and globally are remarkably similar. This shows the need for solidarity, shared learning, and collective action. Cross-cultural exchange not only validates local experiences but also creates opportunities to adapt solutions across borders.

Scale of change

As we explore the impact of AI on our work and communities, we often look at immediate opportunities (such as finding efficiencies in our current ways of working) or immediate challenges (huge overwhelm in numbers of grant applications). We also need to make space to explore alternative ways of bringing about our missions. Not only improving what we currently do, but asking more radical and ambitious questions about the world we want to help bring about.

Urgency

The speed of adoption of Generative AI tools is faster than anything we've seen - no single organisation can keep up. To ensure AI works for everyone, we need to empower civic



organisations (nonprofits and funders) to represent their communities in these developments - and we can only do that collectively.

Priorities inspire new ideas across the Design Lab

1. Define clearly what is fundable.

We don't know WAGOLL! (“what a ‘good’ one looks like”). Agree on a common, data-informed view of fundable applicants and applications. Align on the capacities and/or qualities that inform grant decisions and investments, and use them consistently to guide outreach and engagement through decision making and learning activities.

2. Balance is found when you think and reach big.

What you seek you shall find. Reimage outreach by enabling organisations to be ‘discoverable,’ while proactively reaching out to those that forms and websites will never reach. Use AI to map the landscape, then supplement it with human outreach to include under-the-radar actors and make funding opportunities more inclusive and equitable.

3. Rebuild trust and reduce risk aversion.

Our work is relational, not transactional. Transition from a compliance-first approach to one that prioritises learning and trying new things. Reframing eligibility and accountability to prioritize trust appropriately emphasises ongoing learning while facilitating innovation and experimentation.

4. Think of the ‘whole system’.

Touch one part and the rest moves. Governance, security, data architecture and strategy, business knowledge, user skills, and workflow must be considered together, even when starting small.



Outcomes from the Day

The design studio delivered more than ideas. It sparked prototypes, immediate practice changes, and a renewed appetite for collaboration that proved the value of convening inclusive perspectives and diverse experiences and skills.

Prototypes developed

Small groups worked on five AI-related challenges, producing tangible prototype solutions. These demonstrated both creativity and the potential for AI to be applied in human-centred ways, as well as being intentional about where AI should not be used.

Energy and appetite

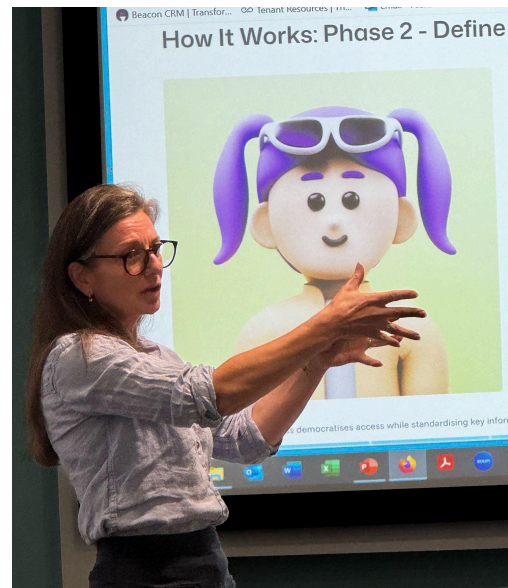
Participants left visibly energised. What began with tentative steps quickly shifted into jet-propelled enthusiasm as collaboration deepened, showing the power of diverse voices in action, and emphasising the value of convening the right participants in the right way to catalyse tangible benefit.

Immediate impact

One technology leader, Emma Kirby from the National Lottery Community Fund, shared that she had already taken lessons from the day back to her board meeting, applying collaboration and technology storytelling in real time. This demonstrated how quickly shared learning could be put into practice.

Proof of value

The event confirmed that funders, nonprofits, and technologists need spaces like this to come together in the right way. Convening for community building and collaboration is as critical to fund as the technology itself. Responding to the opportunities and challenges that the age of AI presents succeeds only when AI adoption is rooted in collective action.



What Comes Next

The success of this design studio showed the power of giving funders, nonprofits, and technologists space to think differently together. To build on this momentum, we need to capture learning, sustain the community, and secure investment so additional design labs can be held, scaled, and see their outputs put to meaningful use.

What we will be doing and collecting next:

- **Participant survey:** So far the feedback we have received has been overwhelmingly positive – all respondents who completed the survey rated the event a 5 out of 5. *We will continue to collect structured feedback on usefulness, impact, and appetite for future collaboration, to look at how we apply this work to benefiting more sessions like this.*
- **Follow-up community building:** “Wow. Outstanding. Amazing energy. Brilliant people.” Diverse convenings that build on community knowledge and creativity is what the sector needs right now to navigate the change and opportunity of AI. *We will keep the conversation alive with participants who want to stay connected or help iterate on solutions.*
- **More collaboration and creating space to think:** “Such an amazing day, and some cracking ideas! Looking forward to where this goes!” Attendees shared their appetite to do more of these kinds of events. *We will look for more opportunities to do more workshops and design studios like this and build upon the ideas that gain traction through further refinement.*

As we think about the impact of AI on grantmaking globally, we must remain human-centred, responsible, and collaborative. Our best path forward is to remain committed to our shared values; to build consensus around our collective challenges; to generate ideas informed by diverse experiences, test those ideas and co-create solutions.

AI has great promise to create opportunities to deliver greater value and more impact to the communities we serve. The design lab revealed that we are not chasing technology for its own sake. We are seeking new solutions to real problems – and we solve them best when we do it together.