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THE IMPACT OF FORM AND CONTENT ON REVIEWER ASSESSMENT: AN EXAMINATION OF A DEPARTMENT OF DEFENSE FUNDED CONSORTIUM GRANT PROGRAM (SUMMARY)

Craig S. Galbraith
University of North Carolina - Wilmington, USA, galbraithc@uncw.edu

Doug Miller
Virginia Commonwealth University, USA

Alex F. DeNoble
San Diego State University, USA

∾ SUMMARY ∾

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Principal Topic

Grant funding is an important source of early stage funding for many technology firms, particularly since it is non-dilutive.   Typically grant funding follows a similar process as early stage private equity funding, where an application document is scored by a panel of experts. A key area of interest to those seeking funding is to understand the components that make their application standout in order to receive higher scores from reviewers. A few recent studies of the private equity process have indicated that business plan wording can influence funding behaviors. Yet there has been little or no empirical research on grant application content.

Method

This study examines 281 "business plan-like" applications to a Department of Defense supported grant consortium, and compares the language content of the applications with the ratings given by reviewers after reading the application. The applications were digitized and examined using the *Diction* software program. *Diction* is a language analysis software program that searches a text passage for occurrences of thirty-one dictionary scores belonging to five general categories of certainty, activity, optimism, realism, and commonality. We examined four evaluative dimensions used in the formal reviewer scoring: technical merit, commercial potential, competitive sustainability, and ability of management team to execute plan.

Results and Implications

In the *Diction* program, the general category of "Certainty" reflects language indicating resoluteness and completeness. Application content with higher "Certainty" scores was significantly related to higher reviewer scores. "Insistence" (a certainty variable) was positively correlated with all four evaluation reviewer dimensions, while "Ambivalence" (a negative certainty variable) was negatively correlated to all four evaluative dimensions.   In the *Diction* program, the general category of "Commonality" reflects language indicating group interest and values.   Higher "Commonality" content scores were associated with higher scores on both commercial potential and management ability, but not with technical merit or competitive sustainability. "Denial" (a negative optimism variable) was also negatively correlated with commercial potential.   The results of this study clearly indicate that word choice and phrasing can influence reviewers, and ultimately impact the ability to receive funding.

CONTACT: Craig Galbraith, galbraithc@uncw.edu; (T) 910-962-377; Cameron School of Business, UNCW. 601 South College Road, Wilmington, NC.