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Tips for using fund development consultants

Should you hire one? Heck, I don't know – and I'm a fund development consultant!

Okay. Let's talk turkey.

Can a fund development consultant help your organization? That depends.

When you should NOT hire a fund development consultant

Situation #1: Your organization just lost its major grant. You need money right away. Without immediate cash you'll have to cut program or close your doors. It's too late now. You can't fix cash emergencies by hiring a consultant. Plan ahead. Hire the consultant months before the grant expires.

Situation #2: You are looking for a silver bullet…the magic pill and quick fix that will produce lots of money, easily and regularly. This is the wrong attitude for effective fund development. There are no silver bullets or magic pills or quick fixes.

Situation #3: You expect the consultant to bring a list of prospective donors because, after all, the consultant knows lots about big givers. Wrong. The consultant helps you identify those who might be interested in your cause.

Situation #4: You're counting on the consultant to solicit gifts. Wrong again. The consultant teaches you how to solicit and you solicit. Your prospective donors don't want to hear from the consultant. They want to hear from you.

Situation #5: The consultant will raise the money and the board members can relax. Even more wrong. A good fund development consultant will help you engage your board members in fund development.

So are you ready to hire a fund development consultant?

The first question your organization has to answer is: Are we ready to assess our fund development program? Actually, are we ready to assess our entire operation to determine how it affects fund development? And most important, are we ready to change? Because if we are not ready to change, the consultancy will fail.

And who is the "we" who has to be ready? The executive director and a critical number of board members. And, if you have a development officer, the development officer also has to be ready to self-assess and change.

The second question your organization has to answer is: Are we ready to invest enough time to successfully complete the change process?

Change takes time. You cannot raise money quickly – unless you plan to print it in the basement. There are no silver bullets and quick fixes.

Change is a process. Process means asking questions and questioning assumptions. Process requires meetings and conversations. All this takes time and patience. And process can be messy and uncomfortable too.

The third question your organization has to answer is: Do we understand that most fundraising problems are not fundraising problems?

When an organization asks, "why isn't fundraising working?" it's generally something else in the organization that isn't working. Most fundraising problems are not fundraising problems. Is your organization ready to examine the program quality, board composition and recruitment, management systems, communications, and more?

In summary: Are you ready to enhance the capacity of your organization to secure charitable gifts?

Note: I asked if you are ready to enhance the capacity of your organization. It's about strengthening your organization. It's not about finding wealthy prospects or launching a golf tournament. It might be about changing the way you do business. You might not be truly relevant to your community and hence undeserving of gifts. Or, you might not be effective at fund development.

The right consultant can help you with all of this. But only if your organization is ready.

Really important things to keep in mind when you think of fund development

Why do these things matter? Because knowing them helps you determine if you are ready to hire a fund development consultant. And knowing them helps you find the right consultant for your organization—the first time you try.

Your consultant needs to be a process expert. Why? Because change is a process. And a journey. And you will need a professionally qualified guide.

Organizations assume that fund development is about asking for money. Many fund development consultants and staff fundraisers hold the very same opinion. But, the most productive organizations (and effective consultants and fundraisers) focus on the well-mapped interests and motivations of prospects and donors. You know where they live. You can find out what they think.

Your fund development operation creates opportunities for donors to live out their own aspirations and interests. This is a long-term process that finds and keeps donors interested and supportive. Your consultant will help you understand and implement this.

More really important things to keep in mind

Don't expect board members to trespass on their personal and professional relationships. That's inappropriate, uncomfortable for them, and just plain tacky. Beware of consultants (and fundraising staff) who promote this trespassing.

Don't recruit board members for their connections to affluent people and businesses. Pick board members for all the right reasons (but that's another article!) Ask your board members to examine their relationships to determine if any may be interested in your cause. Remember, it's about interests and motivations and aspirations; it's not about using connections and favors.

Keep in mind: Fund development is inextricably linked to your relevance to the community (as determined by the community); your program quality; your board and management effectiveness; your communications and relationship building; your integrity and ethics and values.

Are you ready to discuss all this with your fund development consultant and your board and staff?

What should you expect from a fund development consultant?

You should expect adherence to the codes and standards of the fundraising profession.

Your consultant should be your expert resource for fund development. Your consultant should be your teacher and your own personal change agent.

Look for someone you can trust and with whom you feel comfortable. Remember, you're going to share problems and challenges and hopes and dreams with your consultant.

Look for someone who will question everything about your organization and help you do the same. You need someone who will name the elephants in the room and open the door to the skeleton closet. You need someone who can manage the troublemakers in your organization and help the quiet ones speak up.

What kind of expertise should your fund development consultant have?

Remember the earlier point? That most fundraising problems are not fundraising problems? Usually the problem is located elsewhere in the organization. Like what you ask? Does your organization suffer from any of these problems?

- Board members won't help fundraise. That's a recruitment and training problem, which now affects fund development.
- Donors are concerned about your services. That might be a program quality or service delivery problem, which now affects fund development.
- Staff and board members are upset about a proposed fundraising event. This might be a values conflict, which now affects fund development.

Your fund development consultant needs to be an organizational development specialist to help fix issues like these. Your consultant must be expert in governance and planning, facilitation, and participatory decision-making. Your consultant must understand systems thinking.

As an organizational development specialist, your consultant helps analyze what is happening – both good and bad. Your consultant helps you solve the problems that affect fund development – even when they are not fund development problems.

For more information see the free monograph *Choosing Your Road: Organizational Development Specialist or Just Another Fundraising Technician?* www.simonejoyaux.com/resources/pdf archive.

Your fund development consultant must know the body of knowledge

Of course, your consultant must be an expert in fund development. Your fund development consultant should stay current in philanthropy. Your consultant might present at conferences and publish.

The most effective fund development consultants are generalists. They have experience with development planning, systems design, industry standards, direct mail, face-to-face solicitation, and special events. Your consultant knows prospect research and proposal development, budgeting and financial management, and volunteer recruitment and training.

In summary, your fund development consultant must possess all the knowledge and experience required to be certified as a fundraiser. For a quick briefing on what this knowledge is, go to CFRE International (www.cfre.org), and review the test content outline. Use this information to screen your prospective fund development consultant.

Tips for selecting your fund development consultant – or any consultant

Good consultants know the same body of knowledge and best practice. This information is documented in books and articles. There are no secrets.

You are not hiring someone to teach you secrets or give you a magic pill or silver bullet that only that particular person has. And if someone is trying to sell you a trademarked secret or proven pill or guaranteed bullet, don't buy!

You seek the right consultant for your organization. This is a match between your needs and the consultant's skills, experience, and approach to work. You find this out through personal discussion with the consultant. Some of your board members must participate in the conversations with prospective candidates.

But let's start from the beginning:

1. Identify the strengths and weaknesses of your fund development program. Involve the board in this discussion.

2. Identify consultant candidates. Refer to consultant directories. Ask other organizations if they've hired consultants and whom they liked and why. Probe!

3. Contact 3 – 5 consultants by telephone or e-mail. Briefly explain why you think you need a consultant.

    a. Ask the consultants to send information about their practice, representative clients, and other materials that would help you learn about them.

4. Review the consultant materials and identify 2 – 3 consultants who seem to be a potential match with your organization. Contact the consultants for an interview.

    a. You interview the consultant and the consultant interviews you.
    b. Meet face-to-face if possible. Or schedule a telephone interview.
    c. Make sure that several Board members participate in the interview.
    d. The purpose of the interview is multifold:
        - The consultant should help you better understand your issues.
        - The consultant gives you ideas about how you might work together to meet your needs.
        - You get to know each other a bit – to decide if you might want to work together. Then you can request a proposal – or not!
    e. After the interview, debrief with your colleagues. Decide which consultants you want to submit a proposal. Contact the consultant(s) and request a proposal.

5. Check references. Speak with both staff and board members who worked with the consultant.

6. Review the proposals and make your selection. Keep in mind the following:

    a. A proposal is just a proposal. If you have questions, call and ask.
    b. If you like the consultant but don't like all elements of the proposal, say so. Negotiate!

7. Call the consultant and close the deal.

Please don't do this!

Don't ask for proposals without an interview with the consultants! How can a consultant personalize a proposal to your agency without actually speaking with representatives from your organization?

Yes, you can certainly develop a Request for Proposal (RFP) and send it out to prospective consultants. But please! It really is better if you interview the prospective consultants before you ask them to submit a proposal.

Why? Because your RFP may raise more questions than it answers. Because there is nothing like sitting face-to-face and talking. Because you cannot understand the consultant through a proposal. And the consultant cannot decide if s/he is the right match for you based on an RFP.

You are <u>not</u> buying a commodity. You are creating a trusted advisor relationship.

Consulting is about the match between you and the consultant. Consultants will have the same or remarkably similar expertise and experience. But some consultants will be just right for your organization. And others will not.

Meet them. Talk with them. Ask them questions.

And listen to the questions that they ask you. Listen to the stories they tell you about their work. Ask them about their volunteer work in philanthropy. Ask them why they got into this work.

You'll learn a lot. You'll learn who is right for you. And the consultants will learn if you are right for them. It's the match that counts.

In conclusion: what one organization said

Imagine a small organization faced with board issues and fund development challenges, management problems and growing client needs.

Imagine this organization struggling for self-improvement. They hired a consultant. Some of them embraced change. Others were more cautious. But they all tried. For 2 years they invested time and money. They assessed every area of operation. They reorganized and reorganized again. They thanked and released volunteers and staff. They started over and over.

And at the end what did they say? “If you are committed to making your organization the best it can be and are not afraid of hard work – then hire a consultant like this. Roll your sleeves up because you will work. The payoff will be huge. We credit our tremendous success to our partnership with this consultant. All we had to say is: ‘we are ready.’

So ask your organization: are we ready?

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Resources to help you identify and screen fund development consultants

Welcome to the Internet! Just about everything is there, right? Here are some resources that you might find useful.

- Check out various consultant directories posted. These directories do not rate consultants but do provide lots of information. For example: Greater Worcester Community Foundation (www.greaterworcester.org), Hartford Foundation for Public Giving (www.hfpg.org), Rhode Island Foundation (www.rifoundation.org) and Human Service Forum (www.humanserviceforum.org)
- Code of Ethics, Standards of Professional Practice, and Performance Expectations of the Association of Philanthropic Counsel (www.apcinc.org)
- CFRE Test Content Outline at www.cfre.org. CFRE International is the certification body for fundraisers. The test content outline represents the knowledge that all fundraisers should possess at the 5-year level. Use this information to screen prospective fund development consultants as well as prospective fund development staff.
- Code of Ethics and Standards of Professional Practice for the Association of Fundraising Professionals (www.afpnet.org)
- Donor Bill of Rights, located on various websites including www.apcinc.org, www.afpnet.org, www.simonejoyaux.com.

About the author: Simone P. Joyaux, ACFRE, is an internationally recognized consultant, author, and presenter. She consults in fund development, board development, management, and strategic planning. Joyaux is the author of *Keep Your Donors: The Guide to Better Communications and Stronger Relationships* (2007; co-authored with TomAhern) and *Strategic Fund Development: Building Profitable Relationships That Last.* First edition, 1997; second edition 2001). Her website, www.simonejoyaux.com, provides free resource materials to nonprofits.