



# Ensuring a Successful Consulting Engagement

by Ruth McCambridge and Lissette Rodriguez

**H**IRING THE RIGHT CONSULTANT FOR THE right project at the right time is never a completely straightforward endeavor; and approaching this task unprepared can lead to wasted time, dollars, and hope. This article walks the reader through a process that can help ensure better outcomes for your investment in consulting.

## When Do You Need a Consultant?

Nonprofits use consultants for various objectives. Consultants may help design and facilitate a capital campaign or strategic planning process. They may help during an executive transition by preparing a board to make decisions, by implementing a search, or by acting as an interim. Consultants can also help develop a

business plan, think through technology needs, or evaluate a program. Or they can help identify and break up an internal logjam that has impeded an organization's progress. Some consultants can work through a more comprehensive approach to organizational development, serving in a role similar to that of a general contractor, helping you select others for more discrete pieces of work while taking on the job of guiding your organization through a transformation process to improve nonprofit operations.

Each of these jobs requires a slightly different mix of skills and abilities, and there are a variety of orientations that consultants bring to their work. It's best to be clear about these orientations and skill bases so you can choose the best possible match for the work and the organization.

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When hiring a consultant, “buyer beware” is an important principle to keep in mind. In some areas of the country, there are few qualified nonprofit consultants; and in other areas, there is a glut, with too many overstating their skill set. Some are just plain uninformed and unskilled, working off formulas and prescriptions that are popular but not necessarily effective. And some may be excellent in one type of work and lousy at another but are compelled to attempt it all to diversify their business. In any case, there is an acute problem of consultant quality in some areas. To be safe, any organization that wants to contract with a consultant should consider quality and fit paramount.

We recently interviewed a well put-together woman who for years has done nonprofit board development work. We asked what she thought about John Carver and got a blank look. “You know,” we said, “policy governance.” Not a glimmer. This kind of inattention to the field and knowledge base in which a consultant claims expertise is alarming. It is akin to practicing medicine or law without an understanding of the theoretical underpinnings of the work or the options available. It’s not that the Carver method is the only or best option in nonprofit governance, but it has attracted a lot of attention and includes some excellent concepts that could be useful, for example, with boards that are “deep in the weeds” and micromanaging. At a minimum, any consultant working with a nonprofit board should be aware of Carver’s work and what it has to offer.

The assumption behind this kind of sloppy practice would have to be that advising on nonprofit management does not warrant studying the field. Information regarding nonprofit management and governance is now widely available, and consultants should be familiar with the variety of approaches to address common issues for organizations of different sizes, in various fields of practice and in different types of communities. On the flip side is the consultant who is well read and has virtually no practice or deployable skills in successful system change. The latter are less common but present within the consulting field.

So the first piece of advice is this: don’t assume anything from the self-promotional marketing materials you get from consultants. Ask for references from colleagues in the field. Some

of the best consultants we know lack fancy brochures and operate through word-of-mouth referrals. They are known for results.

## Different Types and Engagements

Now let’s go back and distinguish between types of consultants. With apologies to Peter Block, who has done some great work on this subject, we will list them here in shorthand.

- *Another pair of hands.* This kind of consultant does a particular piece of work on contract, such as the conversion of a database or the production of a conference.
- *An expert.* This kind of consultant comes in to an organization to do a piece of work requiring expertise, such as review financial systems or develop a capital campaign, but he is acting largely as an adviser on a discrete component of an organization’s work that requires a cutting-edge understanding of that particular field. He may advise you on issues that have impeded implementation, train staff, or institute a system, but the assumption is that his expertise is to be imparted, then implemented by the hiring organization.
- *A facilitator.* This kind of consultant acts as a neutral party during a necessary meeting or organizational process.
- *A process consultant.* This kind of consultant engages with the system to identify personal interactions and their effects. He tends to review everything, including executive leadership style and board-governing style, organizational traditions and culture, the effects of funding sources on organizational priorities, and the financial design and group fit with the rest of its field. Working with an organization on such a range of issues usually implies a longer-term and more intimate relationship.

Even if an organization is clear about the kind of consultant it needs and uses the advice discussed here, the organization and the consultant need to reach an understanding at the outset of the consulting engagement about roles and boundaries. If, for example, an organization wants another pair of hands but instead hires a consultant who, without invitation, inserts himself into another area of the organization, that person is stepping outside agreed-upon boundaries. It’s also problematic when a process consultant assumes too much hands-on work for the organization. Process consultants

become intimate with an organization and get antsy when it acts slowly on difficult issues. Some consultants will write up a strategic plan or case statement or recruit board members, which may not be in the long-term interests of an organization.

If a consultant takes charge in this way, you may see faster movement on the completion of the project but then confront another problem: the actual work gets bogged down because stakeholders haven't been engaged. In these cases, consultants have to return to their prescribed role so an organization can energetically cohere around a purpose and strategy.

It's also important to ensure that the job requirements and the consultant's work style align well. The process should include gathering evidence that a consultant has successfully completed similar work elsewhere. When an organization works with a process consultant or facilitator, it also needs to track whether the work leads to the desired changes and to clearly outline the role of the consultant. And because process consultants learn a lot about an organization's leadership and issues, the relationship

requires a higher level of trust and alignment between the organization and consultant. The true successful engagement allows and welcomes constructive challenges from the consultant on core professional, and sometimes quite personal, issues.

### Selecting a Consultant

After interviewing a consultant, the most important piece of advice is to call members of the consultant's client list and ask these kinds of questions:

- What kind of work did this consultant do?
- What was the work product?
- Which process did the consultant use?
- What were the results of the consulting engagement?
- How long did the results of the work last?
- Would you use this consultant again, and for what type of work?

Listen closely to the responses to these questions. You want to hear a response like this from a previous client: "She clearly knows what she is talking about and alerted us to a bunch of potential traps we then managed to avoid—thank God. They really would have derailed us!" If you

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are hiring a process consultant, you want to hear that the organization is now capable of addressing challenges in a way that it didn't previously: that is, members are more energized and have new deployable skills that build on themselves. The most important thing a consultant can do is to leave an organization with some capacities that weren't present when he arrived. Such a consultant not only has knowledge but also knows how to pass it on such that it extends beyond the consulting engagement.

### Contracting with a Consultant

Once you have selected a consultant, you need to create a contract that lays out the scope of work desired, the anticipated results and interim benchmarks, the length of the engagement, and, most important, mutual expectations for both parties (the consultant and the hiring organization). A consultant needs access to certain people, information, and processes in order to carry out a successful engagement. At the same time, the hiring organization should have a sense of how the work will be approached and a timeline for completion. As Peter Block says, this agreement really amounts to a social contract, outlining how the consultant and the client will work together. If you are hiring a consultant, particularly a process consultant, you need to reveal important and sensitive aspects of your organization's business. Be sure that you are contracting with the someone who honors not only this information but also his relationship with the organization. Engaging a consultant is like letting someone into your home, so be sure to discuss confidentiality and elements of trust that are important for the success of the project.

### Evaluating the Engagement

The contract should also address milestones during the process when the consulting engagement will be evaluated. You need to examine how the work is going and whether you have hit the anticipated benchmarks before you reach the end of the project and have no recourse to improve. A good consultant wants to set milestones and ensure that he ends up with a satisfied client at the end of the engagement. The clearer you and the consultant are in outlining success, the easier it is to have these conversations. Again, it's impor-

tant to negotiate these issues up front. It is much easier to negotiate a new contract and relationship than it is to fix a deteriorating engagement.

In some cases, you may have done everything right in terms of hiring, but within a few weeks you realize that the consultant's style or skills are not the right match. It is important to identify the breakdown as quickly as possible to allow the consultant to make corrections. If you've made the wrong match, though, there isn't necessarily an easy fix. That's why it's important to have negotiated a contractual "out" (a right to cancel the contract with two weeks' notice, for example, if the engagement isn't working to the client's satisfaction) so that you can move on and find the right person for the work. And again, this is why the process benefits from regular check-ins for managing the relationship. If the engagement isn't working, such meetings provide an appropriate point to end the contract in accordance with any provisions you have included in the agreement if necessary. A consultant will likely ask for a similar clause to give him an out as well.

### Conclusion

Consultants can play an important role in helping organizations move big pieces of work forward. And most nonprofit organizations rely on consultants at one time or another for specific projects. You can get the expertise you need and maximize your resources by following some of these simple steps. For further recommended resources on how to set up a successful consulting engagement, read Peter Block's *Flawless Consulting: A Guide to Getting Your Expertise Used*. Although written for consultants, the book contains useful advice in hiring consultants and successfully managing various types of consulting engagements. And finally, good luck!

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What do you think are the keys to a successful consulting engagement? Share them with us at [feedback@npqmag.org](mailto:feedback@npqmag.org). Reprints of this article may be ordered from <http://store.nonprofitquarterly.org>, using code 140406.