



Should You Hire a

Fundraising Consultant?

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There are times in the planning or managing of a campaign that you may require the services of a consultant. While Philanthropic Service for Institutions (PSI) can provide many resources and much hands-on assistance, such as in planning, training of boards and volunteers, providing sample materials or a review your own materials, or in creating a database for the campaign, there are some vital steps in a campaign that are beyond the scope of PSI's staff time. So when might you need a consultant?

Hiring a fundraising consultant is a major decision and may have a significant impact on the success of your program. A consultant or consulting firm may provide several types of services, and you will need to determine exactly what your needs are so your money is well spent. Also, this chapter deals mainly with fundraising consultants, although there are management, planning, budgeting, and other factors involved. We are not discussing building or legal consultants or such advice that is related to but not part of a fundraising campaign.

If you're engaging in a capital campaign, you may benefit from an objective evaluation process called the feasibility study, described in the capital campaign chapter, which includes internal and external interviews and results in suggestions of whether or not you can raise the amount of money you desire. While PSI can help you with planning for the campaign, sometimes more hands-on help is needed, such as implementing specific fundraising efforts, coordinating social media or direct mail, or perhaps the creation of a gift range chart.

Other ways that a consultant may be needed are listed below:

- A. Technical expertise, such as development of reports, use of a database, and similar tasks.
- B. Objective analysis of plans and problems, a careful look at what's possible, what might hinder a campaign, and what should go into a plan.
- C. Advice based on experience, which is often accepted when in-house ideas and plans are rejected.
- D. Motivating and training persons involved in fundraising, especially a team of leaders and volunteers.
- E. Strategic planning, both for the organization and the campaign or project.

- F. Evaluating constituent groups, determining who could and should be involved in the campaign, how much they understand and embrace, and who could be donors.

What consultants cannot and should not be expected to accomplish:

- A. Solicit gifts (although they can accompany volunteers and other solicitors).
- B. Ensure that volunteer and organizational leadership will be committed to the fundraising program.
- C. Work on a commission or percentage basis. This is particularly important since it is unethical to hire a consultant on a commission basis (Association of Fundraising Professionals Code of Ethics).
- D. Build constituency for an organization.

When it is desirable to hire a consultant, first and most importantly, consult with PSI. We keep a list of consultants who have a successful track record of working well and understanding faith-based institutions.

Who might be a consultant? There are major companies that work with faith-based organizations, there are “solo performers” that are one-person organizations and contract with others as needed, and there are those who position themselves as consultants when actually their experience is limited and credentials are scarce. We cannot urge strongly enough—while consultants are valuable, the services and credentials of consultants vary across the map, literally and figuratively speaking, and if you’re not careful, you could be paying for bad advice or even very little service.

Also, there is little uniformity among consultants and their services, including their fees, and there is no one set of standards for that part of the fundraising profession, which can be applied to all who position themselves as consultants. Therefore, it truly pays to be the knowledgeable and savvy “buyer” of their services. Also, fees vary greatly, so once again, please get advice from PSI.

After consulting with PSI, do the following:

- A. Ask to talk to other organizations for which the consultant has worked.
- B. Request a proposal that would indicate expertise, fees, references, and other important information.
- C. Interview consultants selected from the list of prospects provided by PSI or trusted colleagues.
- D. Check that the consultant is not offering the “ten easy steps to success,” and is adhering to current best practices. Once upon a time, it was possible to raise major capital funds by holding a dinner and saying, “God said to give,” but today we are working with a much more knowledgeable donor base, and people who are much more aware of philanthropy and how successful campaigns should be conducted, and these quick and easy steps no longer work.

- E. Request a written contract. Be sure they contain these pieces of information:
1. Specific services and tasks to be performed and fees/costs.
 2. Length of time (including dates) consultant services will be used.
 3. System of approval of plans and materials.
 4. When and how the consultant will be paid.
 5. Ownership of materials.
 6. Contract cancellation provision.

QUESTIONS YOU MIGHT ASK A CONSULTANT

About their experience and credentials:

- A. How long have you been in business? What is the longevity of your personnel?
- B. What is your track record, training and experience?
- C. What is your specialty?
- D. Have you had experience with organizations like ours?
- E. Do you adhere to codes of ethics in your profession?
- F. Do you have a record of successful repeat campaigns?
- G. Provide a statement of your fees as well as a budget for the campaign.

About communication with the consultant or firm and expectations of service:

- A. If we engage your services, how can we address any concerns we may eventually have? If we don't agree with your recommendations, how do we communicate with you?
- B. Do the contractual provisions provide for dissolution of agreement within a reasonable time? Can we renegotiate the contract?
- C. Can you spell out every service you are able to provide?
- D. How do you participate in a campaign? Do you provide an onsite campaign director? What are your expectations of our staff?
- E. Describe feasibility studies you carry out. How much do these cost?

About hands-on campaign work:

- A. Will you provide us with a general plan for a campaign? If so, when will we receive it?
- B. What physical space expectations or facility needs do you have?
- C. If the goal is not reached, is part of your fee refundable?
- D. Will you give us a written final report?



About contractual details

- A. How much do you charge for consultation beyond what is spelled out in the contract?
- B. Is the cost of producing campaign materials built into your total fee, or will we be paying for such materials?
- C. If we cancel or postpone the campaign, what is our financial obligation to you?
- D. Do you provide public relations, communications, and marketing support?

The qualities which the best consultants display are some of the following.
(While no one is perfect, these qualities are essential for faith-based institutions.)

- A. They have nonprofit and faith-based organizational experience. It is important that the person you hire has worked extensively for such organizations and isn't someone whose experience is mostly in the for-profit sector.
- B. They have cultural sensitivity. This is important, especially with organizations that are diverse, inclusive, and have staff and boards comprised of people with different ethical and racial backgrounds, skill levels, and ages.
- C. They possess strong strategic and tactical skills. The consultant needs to be highly skilled in helping you assess your needs. She or he then needs to be able to design the specific strategies and tactics that will help solve your issues. The consultant should also possess good listening skills.
- D. He or she needs to spend the early part of his or her time with you listening to your issues and concerns and helping diagnose the problems correctly.
- E. The consultant will be managing change and change is always hard. The ability to manage resistance and to understand the "process of organizational change" is a key ingredient to success. Listening becomes important in this process to determine both where the resistance is coming from and the nature of the resistance.
- F. Looking at the whole but drilling down to the specifics is another valuable characteristic of a successful consultant. It is important to not only look at the big picture but to acknowledge and deal with the specifics.
- G. It goes without saying that a consultant must be honest, both in campaign management as well as financial considerations.
- H. Finally, a good consultant is results oriented. You are spending valuable resources on the consultant and you want to make sure they are not only focused on the process but on the results and the return on investment of the relationship. Excellent consultants are focused on the results and outcomes of their work.

To ensure the best results and working relationship with a consultant, consider the following:

- A. Stress cooperation between the organization and the consultant. Mutual respect and understanding are essential.
- B. Provide opportunities for communication at regular and planned intervals.
- C. Elicit involvement and support from key leaders, including board, volunteers, and administrative personnel.
- D. Outline and agree on expectations before hiring the consultant.
- E. Determine whether the client-consultant relationship has the right “chemistry,” such as rapport, general agreement on ideas and philosophy, expected behaviors, and appearance.

