

Inside Philanthropy

Fundraising Consulting: A Peek Behind the Curtain

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Early in my fundraising career, a university I worked for conducted a nationwide search (touted as such to add gravitas) to find *the* most experienced, most charismatic and most accomplished development executive imaginable. Soon after we trumpeted his arrival from the highest peak in town, this much-heralded individual executed his first strategic move: hiring a fundraising consultant.

At the time, I wasn't completely clued in to what a fundraising consultant did, but it struck me as odd that we'd spent so much time tracking down God's veritable gift to philanthropy (with the help of a search firm, no less), someone whose job was to improve our operation on every front, and yet in turn, he immediately hired someone to tell him how to do that very job. We're spending gobs of money on this dude, and now we're allocating just as much, if not more, for his personal guru. Why, precisely, did we hire him in the first place?

I figured I could run NASA if I had someone telling me every move to make.

Nowadays, after spending the better part of 30 years consulting and working with consultants on my own campaigns, I understand how they add value... and how they don't. I can't claim to have worked for one of the large firms that serve clients waging billion-dollar campaigns, and while

some wags dismiss the difference between those firms and the ones dipping farther down into the barrel as a simple matter of additional zeroes, the truth is that the complexity of those larger organizations makes the comparison more like apples versus zebras instead of your commonplace oranges. At the same time, I've had rather sophisticated clients with campaigns upwards of \$250 million, which isn't exactly chump change, even by today's standards. And I've had clients with staffs you can enumerate on one hand hoping to raise about as much as Harvard nets in roughly two hours.

So I'm not here to whip open the kimono and expose the industry's underbelly, or to offer an extended exposition covering myriad variations on the consulting theme. Instead, I'll point out a few peculiarities I've noticed along the way and offer some noggin nuggets for those thinking about hiring one or becoming one.

Battle Scars

Fundraising consultants vary as much as the clients they serve. Some come to the profession having spent decades in the field as top development executives. Others have little to no direct fundraising experience. I call this latter group "career consultants." They often enter the field as recent college grads and learn about fundraising by shadowing other consultants and working through client issues. Think football coaches who [never played the game](#) and gained battle scars, but advise individuals on proper technique and devise winning team strategies. One of my first consulting bosses fit this description. He told me much of what he was selling to clients was in books, and that he was getting paid because they hadn't read them. Cynical, perhaps, but true.

For my dollar, I'd rather have someone who's been in the trenches and learned by doing. Fundraising, like driving a car, is situational and not best gleaned from texts. The more you do it, the more frames of reference you can draw from to inform your actions. Consider my bias, but if I ask my

would-be consultant how many times he's solicited someone for a million bucks and the answer is "none," I'm not brimming with confidence.

At the opposite end of the spectrum is the aforementioned consultant with years of fundraising leadership. Some have quit the daily grind of chasing down donors and asking for money to coach others. And some are still employed full-time at their organizations (universities, in particular) and consult on the side. This baffles me. I understand people have vacation and personal time, but if I'm a university president, do I want my VP splitting allegiances between my institution and the one (or more) they happen to be consulting for at any given moment? Let's set aside the notion of conflict of interest, hoping someone wouldn't consult for a direct competitor; each place has a different donor base, but there could be overlaps, especially with corporations and foundations. If my VP is consulting on another school's campaign while simultaneously leading ours, what happens when conflicting situations demand his time and energy—say, campaign steering committee meetings or ramp-ups to critical solicitations? I want my VP dialed in on our tasks at hand. Call me selfish or controlling, but if consulting is what you truly wish to do, resign and go do it.

Tell, Don't Ask

Should you decide to hire a consultant, you'll need to consider just how much consulting you require. Engagements range from full-time resident counsel, on site every day or just about, to those who pop in two or three days a month. And everything in between. Long-term resident counsel never made much sense to me. Sophisticated shops, the ones most able to pay for full-time counsel, don't need one, and smaller shops, the ones most likely to require that level of engagement, can't afford it. It would be much cheaper for the latter to hire a full-time development exec to assume the daily chores of running a fundraising shop, though I understand some organizations [out in the boondocks](#) can't readily find or attract such a person.

Some firms build their business on the resident model. Their consultants might even ask for gifts, which is unusual and certainly not ideal. If I'm a prospective major donor, I want to first fashion a trusting relationship with someone who works at, not for, an organization; someone in a leadership position who will help carry out the work I'd be funding. Volunteer board members also have a formal role and a fiduciary responsibility, and therefore can represent the organization in solicitations. Consultants should provide an insistent voice to keep the fundraising operation chugging along, orchestrating, strategizing, pondering, prodding and cajoling. But they shouldn't ask for money.

Bumper Crops and Famine

It should come as no surprise that fundraising consulting ebbs and flows with the economy. In difficult financial times, such as the one we're in now, or the [Great Recession of 2008](#), fundraisers don't generally ask for money, and they certainly don't hire people to tell them how to do it. Consulting is a budgetary luxury, and therefore expendable. As a result, firms tighten their belts and trim human capital, even those employed full time.

Evidently, many of these firms operate with thin margins, which is surprising, given the low overhead (consultants typically work from home offices) and client contracts that can total hundreds of thousands of dollars. One consultant managing a capital campaign can earn the firm many times their salary in a given year. Multiply that by several consultants, and one wonders where the profits go. Perhaps firm partners could benefit from attending a local theater production of "[Joseph and the Amazing Technicolor Dreamcoat](#)" to learn about rationing resources for when crop yields are low. I realize a waning tide sinks all boats, but having cash reserves on hand gives consultants some assurance that their firm can withstand modest economic vicissitudes and float them even as clients jump ship.

Road Warriors

Clients always tell me they envy the consulting lifestyle and the excitement of dealing with new people and challenges. It's true there's a certain energy derived from variety, a distinct departure from the cyclical, predictable nature of organizations such as universities. Then again, regular staff find comfort in collegial relationships sustained over many years, along with the feeling of job security and stability.

But the real question is this: Do you want to spend your professional life in airports, hotels and rental cars—or, for those more budget-conscious travelers, Airbnbs and Uber rides? Some consultants are on site 16 to 20 days per month, meaning they're on the road more than they're home if the clients aren't local. Once you've spent six hours at an airport because you missed your connecting flight and arrived at your hotel at 2 a.m. in advance of an 8 a.m. meeting, you'll know just how exciting the traveling lifestyle can be. Major gift fundraisers are accustomed to being road warriors, but consulting brings it to a new level.

Given the potential to reduce expenses and the growing acceptance of conducting business virtually, clients are increasingly comfortable with off-site engagements via phone, email and Zoom or Skype. Social distancing has opened the door for [virtual forms of fundraising](#), including consultant-client relationships. Still, as long as the prevailing model is boots on the ground, travel will remain an occupational reality.

Timing Your Jump

Given all these peculiarities and peccadillos, do I recommend hiring fundraising counsel if your organization is considering such a tack? Yes, if your operation is foundering and you need a fresh and nuanced perspective to set you on a proper course. Yes, if your staff is thin and you need temporary manpower to cover important tasks otherwise left undone. Yes, if you hope to embark on a campaign and require outside counsel to run a

feasibility study, which must protect anonymity to yield the best results; retaining the firm (or another one) for the actual campaign depends on your unique circumstances. Yes, if you're a large, sophisticated shop that can benefit from the political cover and external validation a consultant can provide. Yes, if your moribund board needs someone adept at administering smelling salts.

Just be prepared for sticker shock, and continually evaluate the return on your investment. Like any other service, the consulting world includes people of varying ability, experience and value. Choose and monitor carefully.

And do I recommend the profession to fundraisers considering a career change? Perhaps dip your toe in the water by working part time with a client or two, either through a firm or on your own. Determine if you have the appetite for selling yourself, the ability to teach, the patience to suffer fools gladly, and the wisdom of knowing when to wade into organizational maelstroms and when to remain on the shores.

But don't say I didn't warn you.

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