



## **Working with Consultants**

Consultants are important partners for the John Rex Endowment Capacity Building Initiative. We want to build a positive partnership with well-qualified consultants in our area in order to strengthen Wake County nonprofits that serve the health and well-being needs of children and youth.

Requirements for using consultants are as follows:

1. **Organizational Assessment Grants:** An outside consultant is required.
2. **Capacity Building Grants:** An outside consultant is not required. Use of an outside consultant depends on the nature of the capacity building work; whether or not staff have required expertise and time available for the work; and what, if any, benefit a neutral outside perspective can contribute to the effort.
3. **Strategic Restructuring Grants:** An outside consultant is required.

### **Grantee/Consultant Relationship**

Our goals for the grantee/consultant relationship include: a high level of trust between organizations and consultants; knowledge transfer from consultant to agency; and improved organizational performance in areas such as governance, operational management and resource development.

The role of consultants in projects will vary. Consultants may work independently or in teams to analyze organization strengths and challenges, provide objective perspectives on current issues and future trends, and serve as informal coaches to staff and board leaders. They also facilitate strategic discussions among organizational staff and board members, do customized training, and deliver consulting services to meet emerging needs. Technical assistance providers add expertise in discrete areas of nonprofit management such as legal issues, technology, human resources, financial management and fund development systems.

Deliverables for each engagement are specified in the consultant or technical assistance provider (“consultant”) contract that is developed between the nonprofit and consultant<sup>1</sup>.

### **Principles for Working with Consultants**

The following principles shape the John Rex Endowment’s perspective on consultants. We seek to:

- Raise awareness and appreciation among nonprofits about the role and benefit of working with consultants to strengthen their organizations and community impact.
- Provide increased support and funding for high quality nonprofit consulting services, including organizational development engagements, training and learning opportunities.
- Encourage consistency and promotion of best practices in consultancies, utilizing resources such as the NC Center for Nonprofit’s *Principles & Practices for Nonprofit Excellence*.
- Respect existing relationships between organizations and consultants.

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<sup>1</sup> The John Rex Endowment is not involved in the crafting or approval of contracts between agencies and consultants.

A number of resources exist to assist nonprofits in effectively working with consultants. These comprehensive guides for working with consultants provide useful tips and tools that can help ensure a successful consultant engagement from start to finish:

- US DHHS Administration for Children and Families Strengthening Nonprofits: A Capacity Builder's Library "Working with Consultants",  
<http://strengtheningnonprofits.org/>
- Free Management Library's "All About Consulting",  
<http://managementhelp.org/staffing/outsrcng/consult/consult.htm>

### **Our Requirements for Selecting and Working with Consultants**

We require evidence that the organization has interviewed at minimum two consultants in their selection process. Release from this requirement can be requested if these conditions are met: (1) the organization has been working with a particular consultant and is requesting funds for continued and/or similar work, or (2) the organization has engaged the consultant in the past for similar work. Similar work is defined as work that requires the same skillset or knowledge expertise.

We expect these criteria for consultants that are providing expertise in nonprofit capacity building through John Rex Endowment funding:

- Complies with State of NC regulations and licensure requirements as applicable (e.g., fundraising counsel or professional solicitor licensing)
- A minimum of three years nonprofit experience (as staff, board, volunteer, or consulting)
- A minimum of two years recent experience in a nonprofit consulting capacity
- Demonstrated skill in stated area(s) of practice
- Demonstrated effectiveness in working in a consulting role with nonprofit clients