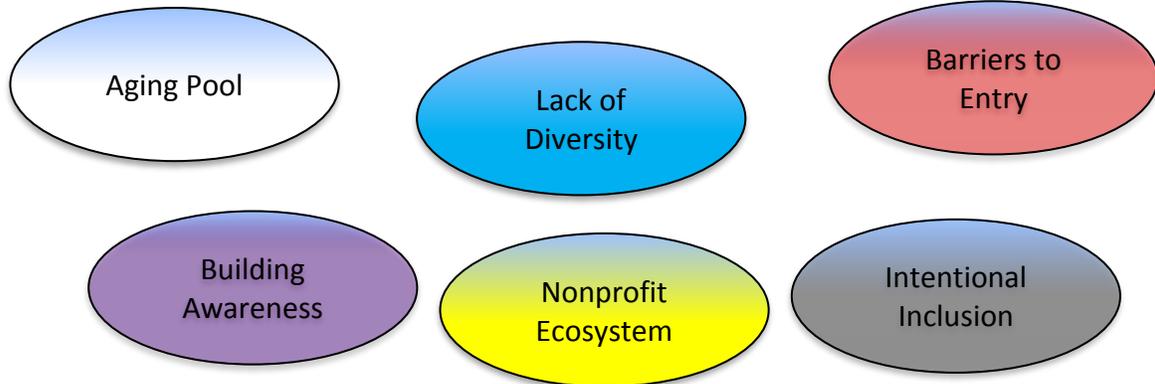


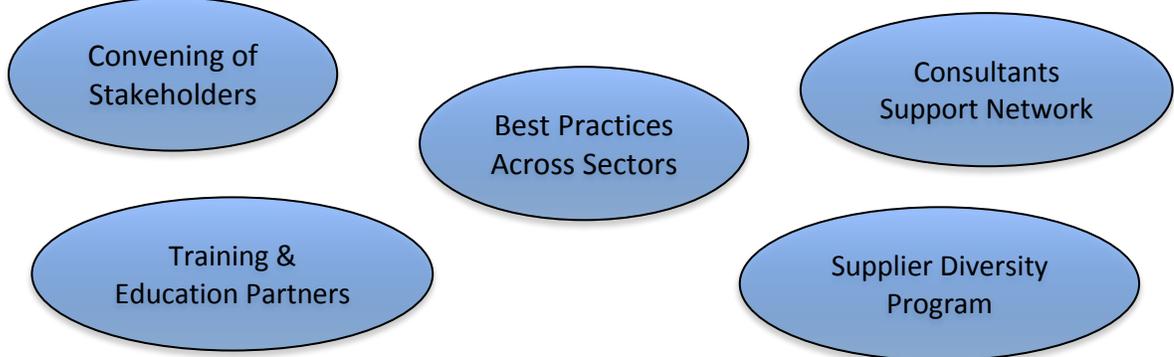
# Hartford Foundation for Public Giving: Nonprofit Support Program Research Project

## Expanding & Diversifying The Pool of Nonprofit Consultants Serving the Greater Hartford Region

### Current Realities and Opportunities



### Recommendations



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## **EXECUTIVE SUMMARY**

**Focus of research:** what it would take to expand and diversify the pool of consultants working with the Nonprofit Support Program (NSP) and serving the region's nonprofits

As with any major project or undertaking of this kind, there is no magic bullet or quick solution. The project's first phase provides an opportunity to raise awareness and educate stakeholders, with a goal of identifying actions and potential partners with shared interests.

**Research participants and process:** over 40 individuals were formally engaged during the May to October 2017 timeframe. Participation was enthusiastic and many interested in further partnering with NSP on the need being addressed. Many lauded NSP for taking this project on - feedback included: foundation is a leader; it's about time; appreciate the intentional nature; it will build awareness on the need and efforts required.

### **Current realities:**

- **Aging Pool of NP Consultants:** consultants on which NSP relies must have skills in one or more of the following: strategic, fundraising, or marketing planning; financial management; strategic technology; board leadership development; executive transitions; mergers; and building evaluation capacity. Majority of the pool are older white women and a growing number are at or nearing retirement age.
- **Diversity & Inclusion (D&I):** an assessment and evaluation of NSP's programs and services completed in 2016 confirmed the pool of consultants available to nonprofits does not sufficiently match the diversity of the community's needs. For the purposes of this project, the diversity being sought was defined as: gender, age, and ethnic and racial background.
- **Economic barriers:** a significant number of participants highlighted the economic realities of being a consultant and the unpredictable nature of income; the majority said they were able to operate financially due to having a partner or spouse with 'a regular job' (benefits), as well as a diversification of income sources (e.g., teaching; for profit sector). In addition, younger professionals are less apt to join the sector due to large student debt.
- **Recruitment and Retention:** challenges experienced by NSP and the existence of various barriers to entry by Consultants of Color (COC) are not unique to the sector, or to private and public sectors. Many new consultants do not understand the business of consulting.

### **Areas to be addressed specifically:**

- How do other funders and intermediaries go about finding consultants
- What other funders and intermediaries have done in order to increase consultant diversity.
- Identify existing consulting training program that help engage both new and experienced consultants in work with nonprofits.
- Identify a pool of diverse consultant (in terms of age, gender, ethnic/racial background), especially those previously unknown to NSP.

### **Recommendations Summary (details on page 8 of report):**

- Community/Stakeholders Engagement: share Phase 1 research highlights via convenings.
- Nonprofit Consultants Training Program: COC participants and potential education partners
- Nonprofit Consultants Support Network: mentoring and networking opportunities
- Introduce/Expand HFPG Supplier Diversity Program: metrics driven goals to diversify
- Emerging Consultants "Partner" Program and Explore New Financial Models

## **THE RESEARCH PROJECT**

### **1. Description of problem and opportunity the project is intended to address:**

The project as stated: it will be comprised of research on what it would take to expand and diversify the pool of consultants working with the Nonprofit Support Program (NSP) and serving the region's nonprofits. The project goals included: recommending ways to go about finding or attracting such consultants; the identification of five to 10 consultants who would be new to NSP; and a summary report with highlights of the findings and recommendations. The project report will specifically address the following:

- How do other funders and intermediaries go about finding consultants (RECRUITMENT)
- What other funders and intermediaries have done in order to increase consultant diversity. (RECRUITMENT AND DIVERSITY & INCLUSION)
- Identify existing consulting training program that help engage both new and experienced consultants in work with nonprofits. (RECRUITMENT and TRAINING)
- Identify a pool of diverse consultant (in terms of age, gender, ethnic/racial background), especially those previously unknown to NSP (DIVERSITY & INCLUSION).

### **Background information**

NSP is the Hartford Foundation's capacity building unit. It offers assessments, grants, and workshops that help strengthen the governance and management capacities of the Hartford region's nonprofit organizations. NSP's organizational development support is provided in the areas of organizational and financial management assessments, planning, technology, board leadership development, and evaluation. The consultants on which NSP relies must have skills in one or more of the following: strategic, fundraising, or marketing planning; financial management; strategic technology; board leadership development; executive transitions; mergers, and building evaluation capacity. Presently, there are a number nearing retirement age, and an assessment and evaluation of NSP's programs and services completed in 2016 confirmed that the pool of consultants available to nonprofits does not sufficiently match the diversity of the community's needs

### **Project methodology**

Working in conjunction with the NSP Director and NSP team, Michael Negrón ("consultant") conducted research, and information gathering and review processes during the May to October 2017 timeframe. The process included phone and in-person interviews, a review of NSP information on prior research efforts (e.g., NP consultant networks), and online research to identify existing programs, initiatives, and resources. The phone interviews were approximately 45-60 minutes, with a handful in the 60-90 minute range. In addition, several participants sent follow-up thoughts on the project and/or additional recommendations on new consultants or training programs.

The initial participants were identified by NSP and the consultant, and expanded upon based on input from the initial participants; by the consultant based on unfolding themes and ongoing research; and based on recommendations from the NSP Director and staff following interim updates. Interim updates were provided by: email and phone; written interim preliminary summaries of findings and recommendations; and meeting with the entire NSP team during a regularly scheduled staff meeting, and during the annual staff retreat.

## **FINDINGS**

### **2. How do other funders and intermediaries go about finding consultants**

**Process:** consultant interviewed and researched other funders and intermediaries on how they find consultants and diversify their pool of consultants. In addition, consultants, nonprofit leaders of color, and other nonprofit leaders were included in the process. A summary of participants interviewed in the research project is provided on **Attachment 1**. In addition, several others participated in a less formal way (e.g., feedback from Minnesota Council of Nonprofits). A high level summary follows of research participants:

<b>Consultants:</b> Connecticut (4); NY/NJ (3); MA and RI (2)	<b>Foundations/Philanthropy:</b> Connecticut (3); Hawaii and Washington, DC
<b>Capacity Building Organizations (12):</b> DC, MD, CT, NY, MA	<b>Other Connecticut:</b> Nonprofit leaders of color; UCONN; reSet; LISC; CT Council for Philanthropy; Universal Health Care Fdn; Minority Inclusion Project; The Discovery Center.

Note: Connecticut Council for Philanthropy’s President is receptive to surveying CCP members in order to gain insights how they find consultants and/or diversify their consultant pool.

#### **Feedback on how consultants are found / Resources on finding consultants (select examples)**

- Word of Mouth (far and away #1 method); connected to other Executive Directors or nonprofits: asking others who do you know; which consultants have worked well?
- New England Consultant Directory; other foundations’ website “resource pages”
- Foundation/grantor review of final grant reports; being matched by the foundation
- Attending conferences, workshops, convenings – speakers/presenters at events.
- Retiring or transitioning executive directors who want to go into NP consulting
- Direct ask of other foundations; Identified thru Grant Panels (i.e., reviewers)
- Host consultant network meetings; National Association of Consultants to Grantmakers
- Pro bono service organizations: legal; Social Venture Partners; corporate/board member affiliations; New England Service Corps; SCORE; Harvard Alumni; Yale Alumni; MBA programs and more.
- Minnesota Council of Nonprofits has “The Nonprofit SpecialIST” – Expert Services for Nonprofits. Provides the ability to search by region, category, keyword, company name. <http://www.minnesotanonprofits.org/nonprofitspecialist/listings>

#### **Additional resources:**

- Finding Consultants: [www.grantspace.org](http://www.grantspace.org) - excellent summary on various approaches to finding consultants or technical assistance. (**Attachment 2**)
- Ten Characteristics of Excellent Nonprofit Consultants (**Attachment 3**)

### 3. Review of strategies of other funders, intermediaries and other consultant firms who work to increase consultant diversity

**Process:** same approach as described in Item #2. Many research participants indicated a strong pull to stick with what and who you know, and that “we are not finding them”. A larger group highlighted barriers to entry and retention of consultants, and a smaller group noted the importance of intentionality on building a pool of diverse consultants to bring good results.

**Findings and recommendations** - examples of current and past efforts:

- Hawaii Foundation: Elder program (design phase). Focused on younger, more culturally-sensitive/relevant emerging consultants. Contracts to include paying both consultants.
- Outreach out to Hispanic Federation; Association of Black Accountants; NSHMBA; and other professional membership associations focused on POC and young professionals.
- Annie E. Casey Foundation: began use of up to 18-month contracts to allow program officers to work across budget years; amendments cannot exceed 36 months. At present, only a few units have expressed a need in their budget preparation (external affairs and research; evaluation, evidence and data). Opportunity to use with training new consultants.
- New Haven Foundation: had two consultants who did all follow up after Chuck Loring training; now a pool of 6 board governance consultants; includes two consultants of color.
- TSNE MissionWorks: launched emerging consultants program; however, has not been able to commit to transition graduates into pool of consultants.
- Alliance for Nonprofit Management: expanding affinity groups. In one leading CT consulting firm’s practice, there were at least two stories of income as barrier for POC.
- Outreach feedback from several: use LinkedIn to find new consultants; important to reach out to late millennials – bring them in and their movement – they are open to transition and network ready. Tap CT Health Foundation – a lot of fellows; several graduates are women of color. Consider some form of advertising promoting sector; post RFPs on HFPG website.
- Past efforts: Robert Wood Johnson Foundation: 2011 – 2013 launched an evaluation fellowship program (apprenticeship). NSP: in 2004, sponsored the Institute for Nonprofit Consulting (I.N.C.) 3-day workshop presented by CompassPoint (now defunct).

#### **Additional Findings, Cross-Sector Efforts and Resources (select examples)**

**Supplier Diversity:** the challenges experienced by NSP on finding diverse consultants (younger, gender, COC) are similar to private and government sector efforts toward increased supplier diversity (e.g., consultants). There is an opportunity for further research to identify best practices (within and outside sector) and **intentional inclusion**. For example, review Minnesota Council on Foundations’ Diversity, Equity and Inclusion policies (i.e., supplier diversity).

**Partnering:** Akamai Technology, based in Boston, MA: is partnering with a nonprofit and other high tech companies (e.g., Google, Microsoft) to create a Technology Academy to increase the number of women and POC in technology. The initiative involves a 6-month paid training program, and then ideally evolves into a contractor position, then as an employee.

**Best practices resource:** How Do You Recruit for Diversity? (Gardenswartz & Rowe). This write-up is relevant and applicable to the efforts of this project’s target outcomes. **Attachment 4**

#### 4. Identify existing consulting training program that help engage both new and experienced consultants in work with nonprofits.

There are number of training opportunities available locally, regionally and nationally. Some are specifically on nonprofit management or governance, and a select few on being a nonprofit consultant.

**Recommendation:** should there be payment or subsidizing a portion of individual training, NSP would want to align that investment with consulting project assignments and/or some form of partnering or shadowing for new/emerging consultants with a more seasoned NP consultant.

##### Existing programs (select examples):

- Board Source: Certificate of NP Board Consulting (\$1,595); held at different times during the year; 3-day course; rotated to different locations (e.g., Seattle, Florida) - **Attachment 5**. A summary of additional training for NP consultants is provided on **Attachment 6**
- Nonprofit Consultants Institute: Association of Nonprofit Consultants; 2-day training in NYC. Information on two major modules can found at <http://npspecialists.org/event/nonprofit-consultants-institute-may-2017/> **Attachment 7**
- Center for Nonprofit Advancement (DC-based): 2-day workshop: Succeeding as a Consultant to Nonprofits (approx. \$1,000); Business of Consulting. <https://www.nonprofitadvancement.org/nonprofitconsultantseries> **Attachment 8**
- An example of a regional network: The Association of Consultants to Nonprofits: 25+ years, ACN serving as Chicagoland's society of professional nonprofit consultants. Members: firms with 2+ people = 36%; balance are sole proprietors. Website: directory of 114 members; with 'practice areas'. Annual fees of about \$250.
- The Encore Program (Hartford and expanding to Fairfield County) is exploring initiating a consulting practice based on the skills of Encore!Fairfield County graduates, in conjunction with Social Venture Partners (SVP),

##### Other programs/initiatives:

- TSNE MissionWorks: learning circles; periodic multi-day training for current consultant pool.
- Fairfield Foundation: paid internship with grantees around NP housing development.
- Bay Path University: Certificate in NP Management (has an interest in partnering with NSP). **Attachment 9**
- Alliance for Nonprofit Management: conferences and new affinity groups. (National)
- TSNE Emerging Consultants Program (Boston, MA)
- Connecticut Nonprofit Alliance: follow-up needed with Director of Membership and CT Nonprofit Center, Lillian Gutierrez (i.e., training opportunities; sourcing consultants)
- EI & Diversity Institute (California, Portland and North Carolina): multi-day training the trainer (very popular among HR and training professionals in healthcare sector).
- Minnesota Council of Nonprofits – event calendar with workshops (coursework was more general versus specifically on being a NP consultant)
- Mentoring and networking forums: this is an idea to explore further on this would be rolled out and managed (i.e., content, objectives, frequency, perhaps a diverse advisory committee, identifying a point person, location/hosts, etc.).

## 5. Identification of new pool of diverse consultants (in terms of age, gender, ethnic/racial background), especially those previously unknown to NSP.

**Process:** all research participants were asked to provide the name(s) of individuals they would recommend bringing to the attention of NSP. In addition, the conversation focused on being intentional about identifying diverse candidates. A robust and diverse number of potential new consultants were provided by research participants, many of which who contacted the Consultant several times to provide additional names.

**Sourcing New Consultants:** Attached summary includes the source of the referral; potential new consultant's name; brief background; and contact information. **ATTACHMENT 10**

### **SUPPLEMENTAL INFORMATION**

- **How do I become a NP consultant?** Some of the considerations summarized on Grantspace (a service of the Foundation Center); includes several website links: <http://grantspace.org/tools/knowledge-base/Nonprofit-Management/Consultants/becoming-a-consultant>
- **The Nonprofit Ecosystem** – graphic presentation. **ATTACHMENT 11**

Finally, select interesting 'nuggets' of information learned during process:

- **Nonprofit World:** public television program profiling Hartford-area nonprofit organizations and leaders (Nutmeg TV, West Hartford)
- **Loan Forgiveness Program:** relief of student debt for those working in nonprofit sector (New Have Real Estate Association)
- **Fund the People:** funding for professional development of NP leaders (NY-based, national organization) <http://www.fundthepeople.org/>
- **UConn Hartford:** per David Garvey, believes that would be interest from new campus director (Mark Overmyer-Velasquez) and Ann Gebelein, both of who have a great deal of contacts and information on the Latin American communities and nonprofits engaged with those communities. In addition, interest from the new Public Policy department head.
- **Encore! Program** (Leadership Greater Hartford): until recently, no focus on promoting NP consulting opportunities as an option.

## **RECOMMENDATIONS SUMMARY**

### **Community/Stakeholders Engagement**

- Share Phase 1 highlights and operating realities via convenings – research participants; foundation partners; those impacted by the current realities (agencies supported by NSP; NP consultants).
- Solicit partners in research (e.g., Casey; Hawaii; Fairfield; New Haven; New London; Rhode Island).
- Engage, at a minimum, the three (3) other major nonprofit support program partners that the Hartford Foundation of Public Giving's Nonprofit Support Program has worked with. All four organizations are in the midst of senior leadership transitions: Hispanics in Philanthropy, TSNE MissionWorks, CompassPoint and HFPG.
- Telling 'our story': include write-up in external communications and/or HFPG website (going beyond "word of mouth").

### **Nonprofit Consultants Training Program: COC participants and potential education partners**

- Evaluate training programs identified via project research; potentially, conduct additional research.
- "Doing Business" training as Nonprofit Consultant (e.g., contracts, setting fees, collaborating); revisit CompassPoint/NSP Consultant program elements. Consider NSP consultant developed program.
- COC training initiative: initial cohort of NP consultants of color. Review potential 'education partnerships' (e.g., Bay Path, UCONN). Develop plan to assign 'graduates' to assessment project

### **Nonprofit Consultants Support Network: mentoring and networking opportunities**

- Intentional efforts to engage COC and YPs (e.g., invite new person to next networking meeting)
- Create an advisory council working w/NSP representative; consider compensation to council lead?
- Introduce "learning circle" concept from TSNE model (network, sharing best practices, exploring challenges, etc.). Meet quarterly; NSP hosted; engage other partners/hosts.
- Consider "incentive" program to recruit new COCs and YPs.

### **Introduce/Expand HFPG Supplier Diversity Program: metrics driven goals to diversify**

- Review / summarize, if applicable, current NSP program
- Review Minnesota Council on Foundations' DEI policies (specifically on supplier diversity); New England Minority Supplier Development Council model; other larger community foundations
- Identify and establish goals/target metrics on COC 'spend' to promote a more diverse supplier/vendor pool (e.g., consultants).

### **Emerging Consultants "Partner" Program and Explore New Financial Models**

This was one of the most animated topics of discussion related to the lack of diversity among NP consultant and was tied to the economic realities or potential barriers to operating as a nonprofit consultant. The following are examples of what select participants shared on their efforts to address the need for more diversity or culturally sensitive consultant, and/or the realities/barriers to entry for NP consultants and specifically COCs and YPs:

- Elder Program (Hawaii Foundation): pair up experienced, culturally competent consultant with COC; pay both consultants. Consider implementing a pilot program at NSP.
- Review retainers and 18-month contracts (Annie E. Casey); evaluate use with bringing on new consultants.
- Review Robert Wood Johnson Evaluation Fellowship w/COCs
- Review cross-sector efforts and partnerships: Akamai Technology Institute in Boston; Urban League of Eastern MA; partnerships w/Google and other area NPs; Emerging Consultants (TSNE) as a pipeline with project assignments.

## Attachments

- Summary of Research Participants
- Finding Consultants ([www.grantspace.org](http://www.grantspace.org))
- Ten Characteristics of Excellent Nonprofit Consultants
- Best Practices: How Do You Recruit for Diversity?
- Board Source: Certificate of Nonprofit Board Consulting
- Board Source: summary of training available for NP Consultants
- Nonprofit Consultants Institute: 2-Day Training (includes Business of Consulting)
- Center for Nonprofit Advancement (DC-based): Succeeding as a Consultant to Nonprofits
- Bay Path University: Certificate in Nonprofit Management
- Sourcing New Consultants: Referrals provided by research participants (brief background and contact information)
- Hartford Region Nonprofit Ecosystem (radial diagram)