

## Collaborative and Organizational Development Consulting

### Problems with Traditional Approaches to Consulting

In the past 10 years, we have learned a great deal about consulting to accomplish significant change in organizations. One of our major lessons is that approaches that work well in technical consulting, for example, in installing a computer system, often do not work well in organizational development consulting. Despite having learned that important lesson, we still refuse to change our traditional approaches to organizational consulting. Consequently, a variety of myths are perpetual. It is important for you to dispel these myths as soon as possible in your work to accomplish significant change in organizations, whether you are an external or internal consultant.

#### **Myth of the "One-Way Expert" Organizational Consultant**

It is not uncommon that clients work from the assumption that there are consulting "experts" who can visit a client and promptly tell the client exactly what problems exist within the organization and then exactly what should be done to solve these situations. Experienced consultants and clients have realized that the "truth" in a process of organizational change emerges as you and your client work together, always sharing your perceptions, conclusions and learning. Successful organizational change is indeed a process – a journey – that you and your client take together. The accuracy of the recommendations often is not as important as your client's commitment to – participation in – and learning from – implementing those recommendations.

This is not to say that consultants do not have expertise in how organizations function, why issues arise or what might be the range of solutions to address a given issue. As important as having this expertise is for the consultant to verify their impressions by working collaboratively with the client, as much as possible, to explore the inner workings of their client's organization.

#### **Myth That the Client's Best Consultant Has "Been There, Done That"**

Clients who have never worked with organizational consultants before often seek consultants who have successfully addressed the same problem in the same type of organization as the client's. The client's belief is that those consultants are experts at solving that situation in the client's organization, as well. While that belief seems valid, it is extremely difficult to apply in real life. Each organization and its culture are highly unique as are the types of problems experienced by those organizations. The most important skills required by organizational consultants often have little to do with a strong understanding of the particular products, services or programs offered by the organization or the nature of its clients. The most important skills are working with clients to apply principles of systems thinking, performance management and organizational change.

#### **Myth of the "Savior" Consultant**

Some clients prefer that consultants somehow descend into the client's organization, make several quick changes and then leave, having fixed the organization's problems. Although these clients know better, they sometimes still act as if there are those kinds of "savior" consultants out there. Few, if any, organizational projects are really that simple. Consequently, many consulting projects end up not being useful, for example, strategic plans that collect dust on shelves.

### **Myth of the Detached, Objective Consultant**

Recent innovations in organizational and management development, such as systems theory and chaos theory, have helped us realize that, as soon as you begin to interact with members of your client's organization, you become part of the overall "system" of your client's organization. You affect the organization and the organization affects you and your client. Experienced consultants have learned that the success of organizational consulting rests, in large part, on how well the consultant and client work together.

### **Myth That All Consultants See the Same Problem the Same Way**

Each consultant brings his or her own particular view, or "lens," through which they view organizations. Also each has his or her particular biases and assumptions about how organizations should operate. The unique nature of each consultant often results in a unique perspective on problems and the approaches to solving those problems, as well.

### **Myth That There Is One Way to Solve Each Problem**

Organizational change is a complex and dynamic process. Each organization is highly unique, depending on the nature of its environment, programs, leadership, age and size. That is why there are no "cookie cutter" or one-size-fits-all solutions that work for every problem in all organizations. Similarly, experts in organizational and management development have realized that there is no one perfect way to lead, manage or change organizations.

### **Myth of Best Practices**

Best practices are activities associated with organizations that are recognized as high-performing. Performance is the achievement of results and best practices are activities that indicate a high likelihood of achieving those results. The practices often become standards by which we measure if an organization is effective or not. Many of the standard management practices that we mention as capacity building activities are forms of best practices. For example, to discern if an organization is high-performing, we investigate whether and how the organization is conducting Board development, strategic planning, financial management, fundraising or marketing. However, research suggests that the presence of best practices alone is insufficient to guarantee organizational effectiveness. Of more importance is *how* those practices are applied. The application should be in accordance with the unique nature and needs of the organization and should maintain continued focus on successfully serving specific needs in the community.

### **Myth of the "Isolated Solution"**

Many consulting projects focus on one aspect of an organization, for example, financial management, fundraising, team building or marketing. It is not uncommon that shortly after a project is completed, the client realizes that another major and related problem has arisen in the organization. Your client might contact you to report that your first "solution" did not take care of all related problems in the organization. In this case, your client is displeased.

A familiar example of this problem occurs when a nonprofit hires a fundraiser to generate more revenue for the nonprofit. However, if the nonprofit does not have a strong Strategic Plan, the fundraising might not be successful. The nonprofit might end up hiring a strategic planning facilitator. However, if the Board of Directors is not ready for strategic planning, the Strategic Plan might not be strategic or get implemented at all.

### **Myth of the "Final" Project Plan**

Usually, after your first meeting with your client, you develop a written proposal that includes a project plan that specifies the goals of the project and the activities that must be conducted to achieve those goals. Often, you are hired based on your client's perception of the quality of your project plan. However, in the vast majority of successful projects, the initial project plan is changed as you and your client work together to address the issues in your client's organization. An experienced consultant learns to present the project plan as preliminary in nature and open to change. The consultant helps the client to realize that plans often change and that change is natural.

### **Power of Collaborative Consulting with Clients**

#### **Collaborative Consulting – Structured Conversations for Change**

The precise content of recommendations for change often is not as important as your client's commitment and learning when generating and implementing those recommendations. That type of involvement from your client often produces the motivation, political support, momentum and learning that are necessary for successful organizational change. This is true whether you are an external or internal consultant.

You are more likely to get that level of commitment from your clients by working in a collaborative approach with them rather than by acting as an external expert who develops plans for change and then bestows them on your client. You should collaborate with them in as many aspects of the project as possible. Many other helping professions, for example, therapy, social work and education, have realized the critical role of working in collaboration with others.

A collaborative approach is much more likely to thoroughly identify and resolve problems. Your clients seldom struggle with an organizational (or personal) problem because they lack some specific piece of information, for example, a specific procedure or tool to be delivered by expert source. Rather, clients are often stuck in how they perceive, or feel, about things. Or, they might be stuck because of the particular organizational structures in place, such as the organization's plans, policies and procedures. You help your client along the journey of discovery and learning by providing a varied set of services (including expertise when needed), powerful questions (inquiry), supportive challenges and useful materials. Ultimately, your client is guided to take actions and learn at the same time.

A collaborative approach is more likely to generate deep and powerful learning for you and your clients because collaborative consulting is based on key principles of adult learning. Adults learn the most if they are taking actions on a current, real-life challenge and exchanging feedback with others in similar situations. Adults learn, not from memorizing information from some expert source, but rather from examining their own perceptions and assumptions about what is going on around them. Those conditions do not exist unless individuals feel strong ownership and commitment in solving their own problems, achieving their own goals and learning at the same time.

The collaborative approach often is more successful in resolving problems and generating learning because the approach benefits from the increased diversity of perceptions in a collaborative group. Note that diversity is often interpreted to mean the nature of groups where people are from different racial and/or ethnic groups. It would be wise instead to consider diversity to be the nature of groups where members have a wide range of different values, perspectives and opinions. That kind of diversity can be a tremendous source of learning because different perspectives often help group

members see all sides of a problem and how to resolve it. In addition, the diverse perspectives often cultivate more creativity and innovation than if the members all share the same values, perspectives and opinions.

The collaborative consulting cycle provides a clear structure in which you and your clients continually converse about the actions and learning in the project. Ultimately, collaborative consulting is really a philosophy. It is based on the belief that true change and learning will not take place with your client unless your client shows strong ownership, participation and commitment in that overall process of change and learning.

The design and content of this Field Guide are focused on the philosophy, guidelines, tools and techniques to help you effectively consult collaboratively with your clients.

### **Major Benefits of Collaborative Consulting**

Consultants in organizational change efforts must be able to work comfortably in collaboration with their clients. Often, that starts by explaining collaborative consulting to your client, including why the process is so useful. You might reference the following list when outlining the benefits of working with you in a collaborative approach.

1. **Ensures you work according to goals and assumptions of effective consultants.**  
Primary goals for any effective consultant are to work collaboratively with clients to ensure current problems are understood, options are identified, problems are solved and that clients can solve problems themselves in the future. A primary working assumption includes that, for projects to be successful, clients must freely provide accurate information and maintain internal commitment to the project.
2. **Provides powerful means to understanding real causes of problems.**  
Organizations, like people, rarely struggle with a particular problem because of a missing piece of information or specific procedure. Rather, organizations struggle because of misalignment of parts or processes in their organizations, conflicting values or feelings, or the misconceptions of people in the organization. You and your clients have to work together to understand the symptoms and the real causes of problems.
3. **Ensures your client contributes their full value to the project.**  
A highly collaborative approach to consulting continually considers your client's experiences and learning around the problems in their organization. Your client's value to the success of the consulting project cannot be overstated.
4. **Ensures that plans remain relevant, realistic and flexible during projects.**  
Plans are rarely implemented exactly as planned. Instead, changes inside and outside of the organization frequently cause plans to be modified. Without the ongoing participation of your clients in changes to the plans, it is not likely that the plans will remain relevant and realistic.
5. **Ensures learning and continuous improvements in your projects.**  
Learning is a critical outcome for you and your clients, from any of your consulting projects. Adults learn by applying new information to real-world situations and exchanging feedback with others. Breakthroughs in learning for you and your clients come from examining perceptions, assumptions and beliefs, rather than from memorizing new information.

6. **Ensures the most long-lasting solutions to your client's problems.**  
Solutions to complex problems involve changes to structures and systems in your client's organization, not just in inspiring and motivating its people. Changes are not incorporated without the strong, ongoing ownership, commitment and participation of your clients. That commitment requires that they feel ongoing trust and collaboration with you and each other during the consulting project.

## Who is the Client? How to Know Who Your Current Client Is

### Why Is It So Important to Know Who Your Current Client Is?

Simply put, a client is the person or group to whom you owe the most allegiance, who directs your work and to whom you are answerable during a project. The client is usually the leverage point, or most important resource, for guiding change in the organization. Therefore, the client is always your most important collaborator or partner in the project. The question, "Who is the current client?" is one of the most important questions for you to be able to answer at any time in your projects. This question is critical whether you are an external or internal consultant. However, if you are an internal consultant, you might actually be your own client.

Usually, there are multiple people who believe that they direct or influence your work and that you are answerable to them during a project. Consequently, you might have several different clients at the same time in a project. Also, you might have different clients at different times during a project. Unless you can recognize these various clients, you can cause great confusion and conflict, thereby damaging your efforts to guide change.

### Types of Clients and How to Identify Them

There are three major types of clients during a project for change. The types that you work with and when are determined by the complexity of the project, size and culture of the organization, style of leadership in the organization, and the types of outcomes to achieve from the project. Consequently, specific examples of each of the following types of clients could be endless. However, if you are aware of the following types and can look for them in each project, you can usually identify who your current client is – or, as important, identify which people or groups are of which type of client for now in the project.

Table I:2 – Types of Clients

Type	Description	Examples	Your priority
Official clients	This is the person or group who hired you (if you are external) or assigned work to you (if you are internal). They probably interviewed you during your first meeting with them. They probably sign your paycheck. Usually, they have positions of authority to make decisions and provide resources during the entire project. They often define "success" for the project and ultimately decide if the project was successful or not. Usually, the official client remains the same throughout the project.	In projects for change in small- to medium-sized nonprofit organizations, the official client is often the Board of Directors and/or the Chief Executive Officer. In larger organizations, the official client might also be a mid-level manager, such as a Program Director.	You need to be sure that the official client is always aware of, and approves, the status of your projects.
Direct clients	This is the person or group whom you directly and regularly interact with during a particular time in the project. They could be different people at different times, depending on the current priorities and focus of your project.	Could be the Board Chair, Board of Directors, Chief Executive Officer, middle manager, Project Team, fundraiser, financial manager, etc.	Direct clients are usually your current priority for strong collaboration with you. You should always be concerned about using effective communications and interpersonal skills with your direct clients.
Indirect clients	This is the person or group who is indirectly and ultimately affected by your work in the organization.	Could include everyone in the organization, such as Board of Directors, CEO, other staff and volunteers. Could also include people outside the organization directly affected by changes in the organization, for example, clients, funders, community leaders, etc.	Indirect clients need to agree with, or not directly disapprove of, the changes in the organization. Indirect clients inside the organization often have a major influence on the culture of the organization and often implement the plans for change.

## How Much Should Your Client Be Involved in Collaborative Consulting?

Block (2000) asserts that, as a consultant, you should not be contributing more than 50% of the effort in a consulting project. Your client should work the remainder. You should never be doing what your client can do in a project. This is especially true for external consultants. Internal consultants might do more than 50% of the work. However, they still should strive to have clients do most of the work if those clients are to learn to solve problems for themselves.

Others might believe that the amount of work each party contributes depends on the nature of services in the consulting project. For example, a technical consultant installing a computer system might do most of the work. However, even in projects where you are an expert consultant, for example, training clients how to conduct a certain procedure, your client must participate substantially in the project. For example, they must actively participate in your training methods, be actively listening to you, thinking about what you are saying to them, and engaging in small group exercises.

Prominent psychologist, Carl Rogers, asserted that you cannot teach anyone anything. People can only learn when they are ready to learn. That is why Block's assumptions about consulting are so valid, particularly that effective decision-making requires free and open choice among participants and that effective implementation requires the internal commitment of your clients.

A challenge, particularly for new organizational consultants, is to cultivate a collaborative relationship with clients so clients are highly involved in all phases of the consulting project. New organizational consultants might fall victim to the myths that they can somehow descend into an organization and "fix" it without the client having to participate. The irony of this situation is that when the organizational consultant follows that approach, the client often reacts positively. However, soon after the consultant leaves the project, both the consultant and client realize that the intended changes to the organization never really occurred. Instead, the client is now in a situation worse than before. Reports from the consultant sit unread on the client's shelves. People are confused about what to do because little or no learning occurred from the project. Perhaps worst of all, members of the organization lose faith in the value of bringing in outside help again in the future.

Organizational change efforts often fail. That is why organizational consultants have to move away from the traditional "outside expert" approach and toward collaborative organizational consulting.

## How to Do Collaborative Consulting with Busy Clients

The typical nonprofit has limited resources of time, energy and money. There are often a variety of unexpected, competing priorities that suddenly demand a lot of time. It can be a challenge to get a client to work continually with you in a highly collaborative fashion.

When your client seems to struggle to actively participate in the project, you are faced with the following dilemma: "Should I just do the client's work now in the project or should the project accommodate the other demands for the client's time?" This is true whether you are an external or internal consultant. If you choose to do your client's work, you and your client assume the high risk that the project will not result in long-lasting changes to the organization. In addition, it is not likely that your client will accomplish any useful learning from the project itself and will not be able to address similar problems in the future.

## Actions for the Consultant to Take

The following guidelines pertain to actions that you can take regardless of those taken by your client.

1. **Be authentic.**

Notice that your client is not participating in the project, such as not doing what they said they would do, when they said they would do it. Mention your observation to your client.



See "How to Remain Authentic with Yourself and Others" on page 62 for definition, examples and guidelines about authentic behavior.

2. **Remind your client of the importance of the collaborative approach.**

In the midst of the day-to-day challenges of leading a nonprofit organization, your client may have lost perspective on the overall importance of the project. The project may have been replaced by another top priority. Talk with your client to come to a conclusion about importance of the project for now.



See "Power of Collaborative Consulting with Clients" on page 12 for guidelines about conveying the power of collaborative consulting to others.

3. **Recognize the other priorities of your client.**

Collaborative consulting means that both you and your client work together, recognizing the needs of the project, along with your needs and the needs of your client. There will be times during a project when your client suddenly needs to attend to other matters. You will need to recognize those times and, with your client, adjust your plans accordingly.

4. **Integrate your project plans into your client's current activities.**

Identify opportunities to include project tasks in activities your client is already doing. For example, use regularly scheduled Board meetings to work with the Board. Use current staff meetings and status reports to communicate about the project. Use current evaluation activities as part of the project's evaluation.

5. **Realize that your client's lack of participation may be a form of project resistance.**

If your client is experiencing discomfort about the project, but is not admitting it to themselves or to you, it may lead to resistance. Often, their discomfort shows up, for example, in their lack of participation. It is important for you to effectively recognize and address resistance. Otherwise, your project will lose the momentum necessary for successful change.



See "How to Recognize Another Individual's Resistance" on page 79 and "How to Respond to Another Individual's Resistance" on page 80 for guidelines about seeing and addressing resistance from others.

6. **Remind your client that choices about the project affect the entire nonprofit.**

Many times, clients are so busy reacting to the day-to-day demands that they forget about the importance of their project. They sometimes end up treating the project as if it is a nuisance to be tolerated. It is important for you to remind your client of the difference between working harder and working smarter – working on the project is working smarter. By

avoiding the project, your client is not investing in the overall health of their nonprofit. If they expect to "cut wood all the time, they have to take time to sharpen the saw." Ask them what they want to do about the situation, then be quiet and let them respond. Listen and be authentic.

7. **Continue to recognize accomplishments in the project so far.**  
Projects are not "all or nothing" events that are either complete successes or failures. If your client gets pulled away to address another priority, the project might have to adjust to a change in plans. Work with your client to keep perspective on what has been accomplished and what remains to be done in the project.



See "How to Help Your Client Appreciate Accomplishments" on page 77 for guidelines about helping clients to recognize their accomplishments.

8. **Work with a subset of key members.**  
If all key members of your client's organization cannot participate in a particular project activity, consider forming a smaller group of participants to conduct that particular activity. The small group will provide its results, including specific and clear recommendations, back to the larger group when finished.

9. **Use techniques of personal and professional coaching to move things along.**  
Coaching can be a powerful means to help your client identify obstacles to the project, the real reasons that those obstacles exist, and what can be done to remove the obstacles.



See "How to Coach for Deep Problem-Solving and Learning" on page 68 for guidelines to coach your clients to continued actions and learning.

10. **Resort to the "Sanity Solution."**  
In situations where project activities seem stalled, especially because of a lack of resources, you and your client can always attempt one or more of three strategies: a) get more resources, b) extend deadlines to get things done, and/or c) decrease the expectations. Present the "sanity solution" to your client and help them decide which alternatives to implement.

11. **Decide if you should cycle back to Phase 2: Engagement and Agreement.**  
It may be that the activities in the project so far have combined to identify or create another or new priority or problem to address. For example, project activities thus far may have helped the Chief Executive Officer (CEO) to realize that his or her approach to working with the Board of Directors is ineffective. Consequently, the CEO may want Board development to occur as soon as possible. The Engagement and Agreement phase revisits the goals of the project and, thus, is an opportunity to update the direction of the project. It might be useful for you and your client to consider repeating some or all of the activities in that phase.



See "Phase 3: Discovery and Feedback" on page 258 for all guidelines to conduct that important phase of the collaborative consulting cycle.

## Collaborative Consulting for Generalists and Specialists

Based on your particular expertise and the type of consulting that you have done in the past, you might consider yourself to be a specialist or a technical consultant.



See "Major Types of Consultants to Nonprofits" on page 5 to help you identify which type of consultant to nonprofits that you are.

In case you skipped other information in this Field Guide and went directly to this subsection that you are reading now, you might believe that the collaborative approach is not useful to you as a consultant. That belief would be a mistake. Whether you are a specialist or a generalist in your consulting work, the collaborative approach to consulting can be of great benefit to you as you work to ensure that your services are productive and long-lasting for your clients.



See "Problems with Traditional Approaches to Consulting" on page 10 to understand more about how collaborative consulting resolves the many problems with traditional approaches to consulting.

In addition to the benefits mentioned in the two subsections referenced above, as a specialist you can enjoy the additional benefits of using the collaborative and organizational approach to:

1. Expand your skills to other areas of the nonprofit, to address other systems, functions and practices in the nonprofit organization.
2. Expand your market for consulting skills as a result of expanding your skills and expertise.
3. Increase the effectiveness of your consulting by more fully recognizing and addressing problems in your client's organization.

## How to Know What Consultant Role to Play and When

As an organizational consultant, you might provide a variety of types of consulting, such as program consulting, management consulting or technical/specialized consulting. In addition, you might perform a variety of other roles, primarily the roles of facilitator, coach, expert or trainer. This is true whether you are an external or internal consultant.

There are no specific indicators as to when you should fill a certain role. However, there are general guidelines from which you can get an indication as to which roles you might fill based on current conditions in a project. Your proposal or contract may suggest which roles you intend to play during the project.

### When You Might Fill the Facilitator Role

Collaborative organizational consulting is about working, as much as possible, in partnership with your clients to accomplish powerful, long-lasting change in your client's organization. That usually requires a highly facilitative role in your consulting. Facilitating is helping a group of people to decide what results they want to achieve together, how they want to achieve them and then helping the group to achieve them. Styles range from directive to indirectly suggestive. The conditions that often exist in an organizational project and require the consultant to fill the facilitator role include:

1. **When the project needs ongoing trust, commitment and participation of clients.**  
Ongoing contributions usually do not come from clients during trainings or when receiving advice from experts. Instead, the buy-in of members comes from knowing that their beliefs and opinions are being solicited and valued. This can be especially important when a diverse group will be involved or impacted by the project. The essence of facilitation is to bring out those beliefs and opinions and to help members decide what they want to do and how they want to do it.
2. **When working to address complex problems or major goals with clients.**  
The most accurate understanding of priorities in an organization often comes from considering the perspectives of as many members as possible. The most relevant, realistic and flexible strategies to address those priorities are developed and implemented from the active participation of members. Facilitation is the most powerful role from which to cultivate that participation.



PART V, starting on page 369, includes extensive guidelines about designing, intervening and helping groups to collect and organize information, and then to make useful decisions about that information.



Also see the list of recommended resources about facilitation on page 502.

### When You Might Fill the Coaching Role

You might choose to fill the coaching role when the following conditions exist.

1. **An individual in the project seems stalled or troubled.**  
Coaching can be a powerful means to guide and support an individual to clarify current challenges or priorities, identify suitable strategies to address the challenges and then to actually implement the strategies.
2. **To maximize an individual's learning from experience.**  
Individuals learn differently. Coaching can be a powerful means to guide and support individuals to reflect on their experiences and then use that learning to improve effectiveness in life and work.



See "How to Coach for Deep Problem-Solving and Learning" on page 68 a definition and for guidelines to coach your clients to reflect and learn.

### When You Might Fill the Expert Role

You might choose to fill the expert role when the following conditions exist.

1. **The project needs general knowledge that would likely be the same in any context.**  
There are certain types of general knowledge that would likely be the same, especially:
  - a) General frameworks from which to develop and/or operate systems, for example, performance management systems, financial systems or marketing systems.

- b) Guidelines for conducting general practices, for example, planning, evaluation, organizational change, addressing ethical dilemmas, use of capacity building approaches or developing learning plans.
2. **The project needs knowledge that is highly specialized and proceduralized.**  
For example, installing computers, conducting market research, conforming to laws and regulations, designing and providing certain program services, financial processes and procedures, or use of specific tools for problem solving and decision making.



See Appendix B on page 463 and Appendix D on page 497 for a wide range of resources from which you can gain more expertise about nonprofits, including specialties such as finances, program design and marketing.

### When You Might Fill the Trainer Role

Training is activities to help a learner or learners to develop or enhance knowledge, skills and attitudes to improve performance on current or future task or job. You might choose to fill the trainer role when the following conditions exist.

1. **Expert knowledge needs to be conveyed in a concise and timely manner.**  
There may be times in your project where members need to learn certain expert-based knowledge and need to do so in a highly focused and efficient manner. The knowledge might be any form of expert-based knowledge as listed in the above topic.
2. **Knowledge needs to be conveyed to a group of people.**  
Training is often most useful when a group of people need to learn expert-based knowledge. This can be quite common in projects, for example, when training project members about the nature of organizational change, the project's change plans or methods of data collection.

### How Collaborative Consulting Integrates with Various Roles

The collaborative approach to consulting is a natural fit with the facilitator role. The approach integrates nicely with the role of coach, as well, because the essence of the coaching process is the partnership, or collaboration, between the coach and client to work together to meet the client's needs.

Regarding the roles of expert and trainer, the collaborative approach can be used to answer the following questions.

1. Will the general or technical knowledge (conveyed by the expert or trainer) be used?
2. How will it be used?
3. How will any related problems or decisions be addressed in using that knowledge?

### Guidelines for Switching Roles Between Facilitator and Expert

1. **Be clear to your client which "hat" you are wearing, facilitator or expert.**  
You might even refer to your various roles as your wearing various "hats." Otherwise, your

client can become confused about your current priorities, how you are addressing them and how they should participate with you.

2. **Be clear about the source of your advice.**

Be clear as to whether your advice is based on your expertise (your expert role), general knowledge in the field (other experts) or their own wisdom. Facilitators often count on the wisdom of the participants in their groups.

3. **Know your own expertise and the limits of that expertise.**

When you realize that you do not have sufficient skills to address a current issue or goal with your client, you are often more effective to adopt a facilitator role. That role more advantageously recruits the skills of others, in addition to your own.



See "How to Inventory Your Consulting Skills" on page 51 for guidelines about inventorying your skills as an organizational development consultant.

4. **Remember the primary goals and assumptions for any successful consultant.**

Your priorities are to develop the expertise of your clients such that they can solve their own problems in the future. Usually, that means working in an expert role to share your expertise and in a facilitator role to cultivate your client's learning.



See "Most Important Goals for Consultants" on page 7 and "Working Assumptions for Consultants" on page 6 for descriptions of the most important goals and working assumptions for any type of consultant.

5. **Do not fall in love with one role.**

Consultants who value their own expertise and the need to exhibit that expertise often resort primarily to the expert role. Similarly, consultants who have strong people skills often resort primarily to the facilitator role. Highly effective consultants can switch between roles depending on the needs of the current situation, rather than on their personal comfort levels.

## Overview of the Phases of the Collaborative Consulting Cycle

### Background

Books on consulting usually suggest similar approaches, with five to eight stages, or phases, in the overall consulting process. Authors might use different names and emphasize different terms, but the approaches they suggest are usually quite similar. After all, their approaches are based on the same action research model developed by Kurt Lewin, the founder of social psychology, about 50 years ago.

Collaborative consulting has its roots in several disciplines. For example, Carl Rogers, a humanistic and existential psychologist, developed the practice of client-centered psychology. Rogers stressed that, for real learning and change to occur, the change process has to come from the client. Edgar Schein is widely credited with founding and legitimizing process consultation, which has become the foundation for understanding group dynamics and effective facilitation of groups. Schein (1988)

stressed the importance of working *with* clients. Block (2000) was one of the first to mention the phrase "collaborative consulting."

### The Nature of the Cycle and How You Experience It

The organizational change process is often much like that of taking a wide-ranging and wandering journey with your client. Accordingly, the cycle is much like a highly engaging and constructive conversation between you and your client – the cycle and its various phases provide a common frame of reference during that conversation and the consulting relationship.

The phases of the consulting process are highly integrated and often cyclical in nature. It is not uncommon to start in the early phases of the cycle and later on realize that you have to return to an earlier phase because some major aspect of the project or the client's organization has changed, for example, a key leader left the organization or a new issue has arisen in the organization.

There often is no clear-cut distinction between the various phases. The order in which you proceed through the phases and the amount of time that you spend in each depends on a variety of factors:

- The nature of the issues to be addressed by the project, including its focus and the extent of change needed to address the issues.
- Your expertise as a consultant while working with your client to proceed through the phases.
- Whether you are working for a nonprofit service provider who has certain policies and procedures for their consulting projects.
- Whether you are a specialist who focuses primarily on certain nonprofit functions (Boards, programs, marketing, staffing) or a generalist.
- The amount of resistance from your clients and yourself during the project.
- Whether you are contracting to facilitate the change process or to provide recommendations only.
- Whether new issues that affect the project, for example, a more important issue has arisen, a key leader leaves the organization or funds for the project become depleted.
- Your client's resources that are available to commit to the project.
- Any particular model that you might be using to accomplish organizational change, for example, action research or strategic management.

### Phases in Cycle

The phases in this Field Guide include:

1. **Client's Start-Up**  
During this phase, your client first realizes the "presenting priority" in their organization and that they might need help to address that priority. That priority might be a current, major problem or it could be an exciting vision to achieve. Your client begins thinking about how to address the priority. Note that if you are an internal consultant, you might also be the

client who first noticed the need to focus attention on solving the problem or achieving the goal. If you are an external consultant, they might hire you directly or go to a nonprofit service provider, such as a consulting firm, foundation, association or training center. If your client gets you from a provider, the provider may have preferences about how various consulting phases are addressed.

2. **Engagement and Agreement**

This is usually the first time that you and your client meet. The overall goal of this phase is for both of you to understand each other's nature and needs, the intended outcomes from the project, and how you prefer to work together. You also begin exploring the presenting priority in your client's organization, assess the readiness of your client to begin a consulting project, decide if there is a suitable match between you, and then identify next steps, including how an agreement can be established. If you are an external consultant, you might choose to provide a proposal or do a contract.

3. **Discovery and Feedback**

During this phase, you and your client work together in a highly collaborative fashion to further examine the presenting priority, its context and causes, and what can be done to effectively address the priority. Discovery involves carefully collecting information about the priority, how it has been managed, and its effect on the rest of the organization. During this phase, you and your client might review documentation, administer questionnaires and conduct interviews, to get information about the priority. You will use principles of systems thinking and organizational change to identify issues and generate recommendations to address the issues. Then you and your client will share with the rest of the organization the results of your discovery, including issues that you discover and recommendations to address those issues.

4. **Action Planning, Alignment and Integration**

By now, you and your client will have a fairly clear impression of what the issues are and the specific actions needed to address them. Now you will work together to develop those actions into action plans, identifying who will do what and by when. You will ensure that those action plans are relevant, realistic and flexible and that they are fully integrated with each other. Next, you will integrate the action plans into an overall Change Management Plan that will include plans for evaluation and learning, recognition and communications.

5. **Implementation and Change Management**

During this phase, you will guide and support your client in implementing the Change Management Plan, including its various related plans. The focus of your efforts will be on guiding the implementation according to principles of successful organizational change. You will help your client sustain motivation and momentum throughout the implementation. You will inform your client of a variety of tools to track the status of implementation, as well.

6. **Adoption and Evaluation**

This phase is marked by having successfully addressed the presenting priority in your client's organization, as well as addressing any issues found during your discovery activities. You and your client will conduct an evaluation to verify that those accomplishments indeed did occur. Your client will have learned a great deal during the project, including how to successfully manage change efforts in their organization.

7. **Project Termination**

You and your client will reflect on what both of you have achieved. If you are an external consultant, you will develop a project termination plan that will address how you will begin moving out of the project. You and your client will further attend to evaluation results and clean up any loose ends in the project. You will likely discuss any future engagements, as well.

## Field of Organization Development (OD) and Nonprofits

The field of OD is focused on the values, theories and models, and tools and techniques to accomplish successful change in organizations. Over the past ten years, experts on nonprofit matters have begun to appreciate the many contributions brought to nonprofits by the field of OD. If you are working with organizations to accomplish successful organizational and management development, you can learn a great deal from the field of OD, as well. Information in this subsection will provide you an overview of the field of OD and describe various perspectives to help you see the "big picture" on the field.

(Portions of the following topics in this subsection are excerpted from the author's writings that are hosted on the Minnesota Organization Development Network's Web site at <http://www.mnodn.org>.)

### Definitions of Organization Development

For many years, the following definition was standard. It was developed in the 1960's, at a time when an organization was considered to be much like a stable machine comprised of interlocking parts.

*"Organization Development is an effort planned, organization-wide, and managed from the top, to increase organization effectiveness and health through planned interventions in the organization's processes, using behavioral-science knowledge."*

From Beckhard, Richard, *Organization Development: Strategies and Models* (Addison-Wesley, 1969) p. 9

As organizations began to operate in a more rapidly changing environment, one of the most important assets for an organization became the ability to manage change – and for people to remain healthy and authentic. Consider the following definition of OD from the 1980's:

*"Organization Development is the attempt to influence the members of an organization to expand their candidness with each other about their views of the organization and their experience in it, and to take greater responsibility for their own actions as organization members. The assumption behind OD is that when people pursue both of these objectives simultaneously, they are likely to discover new ways of working together that they experience as more effective for achieving their own and their shared (organizational) goals. And that when this does not happen, such activity helps them to understand why and to make meaningful choices about what to do in light of this understanding."*

From Neilsen, Eric, *Becoming an OD Practitioner* (Prentice-Hall, 1984) pp. 2-3

Many experts agree that the following definition of OD represents the major focus and thrust of today's OD practitioners.

*"Organization development is a system-wide application of behavioral science knowledge to the planned development and reinforcement of organizational strategies, structures, and processes for improving an organization's effectiveness."*

From Cummings, Thomas, and Worley, Chris, *Organization Development and Change*, Sixth Edition (West Publishing, 1997) p.2

### **One Perspective – OD Practitioners as "Organizational Physicians"**

The system of organizations is similar, if not the same as, the system of human beings. After all, organizations are made up of humans! Therefore, in trying to understand the field of Organization Development, it might be useful to compare aspects of the field of Organization Development to aspects of the field of medicine.

For example, the study of the theories and structures of organizations (often in courses called "organizational theory") is similar to the study of anatomy and physiology of human systems. Similarly, the study of organizational behavior is similar to the study of psychology and sociology in human systems. An OD practitioner might work in the manner of an "organizational physician" intending to improve the effectiveness of people and organizations by:

1. Establishing relationships with key personnel in the organization (often called "entering" and "contracting" with the organization).
2. Researching and evaluating systems in the organization to understand dysfunctions and/or goals of the systems in the organization ("diagnosing" the systems in the organization).
3. Identifying approaches (or "interventions") to improve effectiveness of the organization and its people.
4. Applying approaches to improve effectiveness (methods of "planned change" in the organization).
5. Evaluating the ongoing effectiveness of the approaches and their results.

### **Another Perspective – Organic, Holistic OD**

Physicians rely on empirical forms of research based heavily on the scientific method. They work from a linear model in which the practitioner analyzes a symptom, makes a diagnosis, treats the apparent problem with an intervention of some sort and then waits to see what difference the intervention made. When the symptom goes away, the practitioner concludes that the problem is "fixed." Basically, in the physician/patient relationship, the physician did the treatment *to* the patient, rather than *with* the patient.

Particularly in today's high-stress environment, the patient soon experiences other problems with other symptoms. Too often, the patient tragically assumes that discomfort is what life is all about and accepts a lower quality of life than could otherwise be had.

### **Features of Holistic Medicine**

Many people now seek remedies in alternative, holistic forms of medicine. Fortunately, a new paradigm seems to be developing in medicine that accommodates and integrates new forms of

treatments. Medical schools recognize this new paradigm. Some experts assert that OD practitioners must now do the same.

Holistic medicine works from a systems perspective rather than the linear model of traditional medicine. Service providers in holistic medicine consider the patient to be so dynamic that cause-and-effect perspectives cannot grasp the true nature of the patient "system." Providers consider all aspects of the patient, including physical, mental, emotional and spiritual. Providers harbor no illusions of "fixing" anything. Instead, they work toward wellness, improving the overall quality of life for the patient. Providers believe that the patient's system knows how to take care of itself. The wisdom is there, but the provider and patient must work together to let this wisdom come out.

Holistic services include varied forms of treatment, for example, trainings about time and stress management, programs on spirituality, physical and mental exercises, and support groups. Treatments are integrated into comprehensive treatment programs, including ongoing support to patients as they accomplish necessary life changes. There is concerted effort by service providers to train clients about methods of holistic treatment.

### **Beginnings: Holistic OD**

Actually, developers have been adopting various forms of holistic development for several years. Many practitioners now take a systems view of organizations. They focus as much on the processes among the parts of an organization as on the parts themselves. They talk of patterns in organizations, rather than events. They talk of paradoxes and polarities, rather than fixing.

Self-organizing systems and self-managed teams are now mainstream in the literature. Spirituality in the workplace has become a common topic. Many management books reference principles from Eastern philosophies. Management development programs now include forms of self-development, as well. Dialogue groups enhance meaning for members. Interventions such as coaching and peer coaching seem to be on the rise. Consultants specialize in facilitating the rituals inherent in managing change. Consultants promise "learning relationships" with clients.

### **Another Perspective – Appreciative Inquiry (AI)**

AI is a fairly recent breakthrough in organizational and management development. Perhaps the best description of AI comes from its founder:

*"Appreciative Inquiry is about the coevolutionary search for the best in people, their organizations, and the relevant world around them. In its broadest focus, it involves systematic discovery of what gives "life" to a living system when it is most alive, most effective, and most constructively capable in economic, ecological, and human terms. AI involves, in a central way, the art and practice of asking questions that strengthen a system's capacity to apprehend, anticipate, and heighten positive potential. It centrally involves the mobilization of inquiry through the crafting of the "unconditional positive question" often-involving hundreds or sometimes thousands of people. In AI, the arduous task of intervention gives way to the speed of imagination and innovation; instead of negation, criticism, and spiraling diagnosis, there is discovery, dream, and design. AI seeks, fundamentally, to build a constructive union between a whole people and the massive entirety of what people talk about as past and present capacities: achievements, assets, unexplored potentials, innovations, strengths, elevated thoughts, opportunities, benchmarks, high point moments, lived values, traditions, strategic competencies, stories, expressions of wisdom, insights into the deeper corporate spirit or soul -- and visions of valued and possible futures. Taking all of these together as a gestalt, AI deliberately, in*

*everything it does, seeks to work from accounts of this "positive change core"—and it assumes that every living system has many untapped and rich and inspiring accounts of the positive. Link the energy of this core directly to any change agenda and changes never thought possible are suddenly and democratically mobilized.*

From Cooperrider, David and Whitney, Diana, A Positive Revolution for Change: Appreciative Inquiry (paper, 2000) <http://appreciativeinquiry.case.edu/uploads/whatisai.pdf>



See the AI resources listed at "Organizational Development and Change (including Appreciative Inquiry)" on page 504 in Appendix D. Those resources describe AI and its many approaches, and refer you to additional resources, as well.



Also see the AI Commons at <http://appreciativeinquiry.case.edu/>. Those resources provide comprehensive information about AI and, in turn, will reference other resources from which you can learn more about AI.

### Methods of Appreciative Inquiry Used in This Field Guide

This Field Guide uses several AI techniques, including:

1. **Use of "presenting priority" rather than "presenting problem."**  
The latter phrase is commonly used in literature about methods of consulting and organizational development. The former phrase removes the term "problem," thereby inviting a more positive and strength-based image.
2. **Ability for reader to substitute another term for "problem."**  
At several places in this Field Guide, you and your client are invited to use a term other than "problem."
3. **Guidelines to generate recommendations based on your client's strengths.**  
During the phase, Discovery and Feedback, when generating recommendations, you are invited to produce recommendations that build on the strengths of your client.
4. **Use of the stories technique for generating information.**  
The stories technique invites people to think of a situation in the past that reflects their best traits and then to use those traits to accomplish goals for the future.



See "Stories (to Convey Positive, Individualized Learning)" on page 381 for a description of the stories technique and how to use it.

5. **Nature of present and forward-looking questions used in coaching.**  
The Field Guide suggests questions for coaching that, primarily, are based on the present and future. The questions guide people away from analyzing past problems.



See "How to Coach for Deep Problem-Solving and Learning" on page 68 for examples of useful coaching questions.

## Maintaining Professionalism

As a professional consultant (external or internal), it is imperative that you adopt principles to ensure ethical consulting, recognize the boundaries within which you should work in an organization, understand the legal liabilities and risks inherent in organizational consulting and attend to regular and ongoing professional development activities. Guidelines in this section will help you ensure that you operate truly as a professional in your consulting work. The guidelines are relevant to all phases of collaborative consulting.

### Principles for Effective Consulting

Consultants have different perspectives on effective consulting. The following guidelines might be useful as you reflect on your own principles for effective consulting.

1. **The "answer" to complex problems lies between you and your client.**  
The "answer" emerges during the project as you and your client work collaboratively to clarify current issues and address them, while learning at the same time.
2. **Encourage and recognize diverse values and perspectives.**  
An experienced organizational consultant remembers there are many perspectives on an issue in the organization. Those perspectives should be encouraged and explored because they often lead to more successful problem solving.
3. **When working with your client, start from where they are now.**  
Understand your client's perspective on their issues, including what they have tried, what has worked, what has not worked and what they think should be done now. It is better to go slower *with* your client than faster without them.
4. **There is no blame in consulting situations.**  
It is rare that anyone sets out to hurt someone else or an organization. An atmosphere of blame only serves to inhibit people in your client's organization from the trust, collaboration and commitment necessary for successful change.
5. **Come to the project with a basic consultation framework in mind.**  
Early in a project, the major purpose of the framework can be used as a common frame of reference when talking about the project goals, methods, evaluation and learning. Be willing to modify that framework as you and your client work together.
6. **Your value is in the flow of the process, not in the details of the project.**  
Your client will value you if both of you continue to work together in a process that is collaborative, well understood, communicated to all and focused on results.
7. **Success comes from who you are as from your expertise.**  
This is true, especially if your client perceives you to be authentic and respectful, and consulting with focus on results and learning. Similarly, one of the most powerful influences that can have with your clients is to model the behaviors that you want from them.
8. **Do what you say you are going to do.**  
In the midst of your client's confusion, you can help a great deal by remaining grounded and

centered, clear and consistent. Your consistency builds trust and commitment with clients, as well.

9. **Know yourself.**  
You are an "instrument" of change with your client, so you should be willing to suspend your overall biases, assumptions and beliefs when working with people. Be honest about them when they arise during a project.
10. **Do not tell your clients to do something just because you said so.**  
Always first explain the reasons for your advice and the benefits that might come to your client as a result. Then provide time for your client to respond to your advice. This is usually true even if you are a leader acting as an internal change agent.
11. **It is up to your client to use your advice or not.**  
This is sometimes one of the hardest principles for new consultants to accept. It helps if you remember that people learn only what they are ready to learn.
12. **Do not take it personally.**  
Often your client struggles with an issue, in part, because of their role in the issue. They may not want to change themselves and might resist your attempts to help them. In those instances, remember that those responses are their choices, not yours.

## Principles for Ethical Consulting

Simply put, ethics involves learning what is right or wrong, and then doing the right thing. Ethics includes the fundamental ground rules by which we live our lives. Values that guide how we ought to behave are considered moral values, for example, values such as respect, honesty, fairness and responsibility. Statements around how these values are applied are sometimes called moral or ethical principles.

Ethical consultants must have a set of principles, which defines ethical behavior and guides the consultants' actions toward those behaviors. This is true whether you are an external consultant or an internal leader wanting to lead staff members fairly and equally. Many times, those principles are documented as a code of ethics. Also, consultants must be able to recognize ethical dilemmas and have at least one tool to use to address the dilemma. Information in this subsection will help you to develop your principles for ethical consulting, recognize ethical dilemmas and resolve those dilemmas, as well.

### Codes of Ethics to Avoid Behaviors That You Perceive as Unethical

It is critical that you establish some major principles, or guideposts, to ensure that you consult in a manner that is fair and equitable and also that minimizes your liabilities as a consultant. Those principles are your "inner compass" in the midst of the confusion and complexity that are typical at various times in an organizational change effort. Many times, consultants start developing that compass by developing descriptions of their mission and vision for their consulting work and the way that they want to work.



See "How to Articulate Your Professional Mission and Values" on page 54 for guidelines to articulate your professional mission and values.

Consultants might refine description of their preferred values and behaviors by developing a code of ethics or conduct of conduct. Here are some important ethical guidelines for consulting during organizational change.

1. **Do no harm to your client.**
2. **Keep client information private unless the client or law requests otherwise.**
3. **Do not create dependence by you on your client, nor by your client on you.**
4. **Anticipate and avoid conflicts of interest (for example, representing two interests at once).**
5. **Do not act in the official capacity as an advocate for your client.**
6. **Do not go beyond your own expertise.**
7. **Do not skip the discovery phase of consulting.**
8. **Treat others the way you want them to treat you.**

One of the hallmarks of established professions are codes of ethics for those professions. Here are two relevant examples of codes of ethics that you might reference.



American Society for Training and Development at  
[http://www.astd.org/ASTD/Membership/Local\\_Chapters/ethics](http://www.astd.org/ASTD/Membership/Local_Chapters/ethics).

Organization Development Institute at  
<http://www.odinstitute.org/ethics.htm>

### Avoiding Behaviors That Clients Perceive as Unethical

To avoid unethical behaviors, you also should develop strong self-awareness, including about your own biases and assumptions and about the limits of your own expertise. This self-understanding is critically important.



See "Understanding Yourself as an Instrument of Change" on page 43 for many guidelines to help you to develop deep awareness of your nature and skills in consulting.

When first establishing a relationship with your client's organization, you should make every effort to learn the culture, or personality, of their organization. The culture is reflected in a variety of values, some of them actually enacted and others that are preferred by members of the organization. Ethical behaviors should conform to the values of that culture, as well as your own professional values.



See "How to Work in Multicultural Environments" on page 58 for guidelines to learn the most important values in the culture of your client's organization.

### Examples of a Consultant's Unethical Behaviors

To further your understanding of ethics, it might help to consider examples of unethical behaviors. Ethics is often a highly subjective matter. Consequently, not everyone might agree that all of the following are examples of unethical behaviors.

1. Because the consultant wants to have a good relationship with the client, the consultant quickly adopts the client's perspective on all issues and does not voice any disagreement with the client, thereby colluding with the client.
2. Because the consultant offered guidance or advice that was well beyond their expertise, the client's organization implemented action plans that were destructive to the organization.
3. Because the consultant did not conduct enough discovery (or "diagnosis") to further examine the client's reported issue, the client's organization implemented action plans that were incomplete or destructive to the organization.
4. Because the consultant wanted the client to promptly do as the consultant advised, the consultant pushed their point of view well beyond what the evidence of the discovery process revealed in the client's organization.
5. Because the client wanted the consultant to come to the same conclusion about the issue as the client, the client somehow did not tell "the whole story" to the consultant who, in turn, made the wrong recommendations based on inadequate information.
6. Because the consultant wanted to further help the client's organization, the consultant did not terminate the current consulting project when the outcomes (that were specified in the project's work plan) are achieved.
7. Because the consultant wanted to help the overall community, the consultant told funders information that the client believed was being held in confidence between the consultant and client.
8. Because the consultant wanted to help the client's organization, the consultant arranged a meeting to report concerns about the Chief Executive Officer to the members of the Board, without telling the Chief Executive Officer of the consultant's attendance at the Board meeting.
9. When the consultant learned about a particular new model or technique, for example, in program evaluation, he or she tried to convince the client of an issue with the client's program to create an opportunity to apply that new learning.
10. During the discovery phase of the consulting process when interviewing one of the entry-level staff members, the consultant tried to build trust with the member by sharing his or her confidential impressions of what he or she has concluded about the Chief Executive Officer so far.

### Identifying and Resolving Ethical Dilemmas

The nature of nonprofits and the manner in which they undertake organizational change are highly diverse. In addition, the role of the organizational consultant usually includes guiding people through change processes in which there is always the possibility of strong power differences among people, conflicting values and even unfair treatment. Unfortunately, too, there are times when you or your client act in a manner that, while expedient or self-protecting, results in unfair treatment of others.

In these situations, it is not uncommon that people can feel that something wrong or improper has occurred; they can even have widely varying opinions about what is right and wrong and what is proper and improper. Thus, there is always the strong possibility that ethical dilemmas can arise.

An ethical dilemma exists in a situation where there are strong, conflicting values and several viable alternatives to the situation, each of which seems reasonable and fair, yet could have significant effect on those involved. Ethical dilemmas are seldom as straightforward as "doing the right thing." Many times, the right thing to do is not nearly as recognizable and straightforward as people would hope. That is why the professional organizational consultant is sensitive to the potential of ethical dilemmas.

Your code of ethics is an important tool for recognizing and resolving ethical dilemmas. The code sensitizes you to the behaviors that you prefer. Your understanding of the culture of your client's organization is another major tool. It helps you to recognize the behaviors that your client prefers.



See "Complete Guide to Ethics Management: An Ethics Toolkit for Managers" for several tools and procedures for addressing ethical dilemmas, at <http://www.managementhelp.org/ethics/ethxgde.htm>

### How to Maintain Proper Boundaries

There are certain types of organizational activities which you should avoid, depending on whether you are an external or internal consultant. The nature of the activities in which you become involved depends on what you and your client have agreed upon as your roles and responsibilities. As a professional consultant, you must monitor the types of activities in which you are – and are not – involved. That monitoring is especially important during the phases of Engagement and Agreement; Action Planning, Alignment and Integration; and Implementation and Change Management.

### Scope of Contract

If you are an external consultant, your work within your client's organization should be within the scope of the formal agreement that you have with your client. Do not work on activities that are outside of that scope without your client's permission – and probably not without a new or amended contract. For example, if your contract is to facilitate Board development, then do not also consult to developing a Fundraising Plan, even though you strongly believe that you can contribute a great deal to that Plan.

Your client has recruited you to work on certain matters within the organization. If you are involved in other matters, the client might become alarmed that you are a "loose cannon" shooting all over their organization. That situation could be frightening to them and cause the client to lose trust in you. You have a formal agreement to focus only on specific matters. If you stray from that agreement, your client could sue you for malpractice.

Even if your client greatly appreciated that you were helping out in other areas, you could be hurting the real project by causing "project creep." That occurs when your project seems to never end because the requirements for the project continue to somehow expand. Eventually, the project loses its focus and effectiveness. Despite your hard work, your client may no longer understand the project and where it fits into their organization.

Note that the above guidelines are applicable primarily to consultants whose practice involves a series of new clients. Some consultants work primarily with the same few clients and in a wide, informal scope of work within their organizations. In those situations, it still is advisable to form some type of agreement regarding the current scope of work for the consultant. The small amount of effort that it takes to formalize an agreement is well worth the protection that it affords the consultant and client in case there are any disagreements regarding the consultant's activities.

### **Supervising Employees**

Generally, supervision includes exercising formal authority to establish goals and priorities for employees who report directly to the supervisor, along with monitoring the timeliness and quality of progress toward the goals. The supervisor usually works according to personnel policies to reward or "punish" the employees' behaviors accordingly and also conducts a formal performance review. How supervision is carried out depends on the culture and policies of the organization.

As an external consultant, unless you have specifically contracted with your client to perform some or all of the duties of a supervisory role, you should not put yourself in the position of supervising employees. If, for example, your services involve guidance to the supervisor, you should guide and support the supervisor to, in turn, effectively supervise their own employees.

### **Matters of Employment Laws**

As an external consultant, unless you are an expert in employment laws and have been hired by your client to review and update personnel policies, you should avoid offering advice about matters of hiring, compensation and benefits, or record keeping. Similarly, you should not offer legal advice unless you are qualified to offer that type of advice and have been hired by your client to provide that advice. However, you should know of competent resources to which you can refer your clients, should you become concerned about a personnel or legal issue.

### **Interaction with Staff**

When you and your client first meet to clarify the desired outcomes and goals of the project (in a "contracting" meeting, in the case of an external consultant), you should also talk about what organizational resources need to be accessed by you and how. If you need to interact with certain staff members, both you and your client should be clear about the purpose of that interaction, and about which members will be involved and how. In addition, your client should notify each of those members and explain the purpose of the work with those members.

### **Joining Client's Board of Directors**

Occasionally, your client will be so impressed with your performance as an external consultant that your client asks you to join their Board of Directors. You should not join the Board before you and your client terminate your consulting contract, along with terminating any associated compensation to you. The reason for this is to avoid any apparent or active conflict-of-interest. Directors have a duty of loyalty to their nonprofit organization, which includes not engaging in Board-related

activities that could personally benefit the director by providing money or other assets to that member. That duty ensures that the Board member's activities and deliberations are always focused primarily on benefiting the nonprofit organization – that the Board member does not have an apparent or actual conflict-of-interest in their role.

### **Summary – Guide Your Client to Decide How to Decide**

As an external consultant, you usually should not be making ongoing operating decisions about the governance, leadership and management of your client's organization, unless you have been hired to hold an interim position as a leader or manager in the organization. However, you should focus as much as possible on helping your client decide how to make those decisions. That is true because, often when people struggle in their organizations, they have gotten away from the fundamental systems and processes (plans, policies, roles and procedures) that are necessary to effectively make decisions and solve problems.

### **How to Minimize Legal Liabilities and Risks**

Information throughout this subsection applies primarily to external consultants. The extent of risk and liability in your work depends on the nature of your services. Consultants who work with clients to guide organizational change efforts probably carry little risk or legal liability. However, some clients might require that you carry professional liability insurance. The purpose of that insurance is to protect you against large financial losses if your client wins a lawsuit against you.

Although the risk of lawsuits might seem low, there are still some considerations that you should address. The following guidelines are offered to assist you in minimizing your risk and liabilities in your practice. The guidelines are not to be interpreted as legal advice.

### **General Guidelines to Protect Yourself**

1. If you are providing services that are closely related to activities that are directly affected by various laws and regulations, you should obtain legal advice regarding your liability protection. Examples of those kinds of consulting services include developing personnel policies, advising on health care services or advising on compensation and benefits.
2. If your place of business is in your home, you should consider getting general liability insurance. That insurance can protect you in case a client is injured in your home.
3. Certain aspects of your consulting business can include some legal risk. Those aspects include, for example, contracts with clients and billing procedures.
4. Certain practices constitute good preventive maintenance to minimize your risks and legal liabilities. Those practices include:
  - a) Get all agreements with clients in writing and confirmed with your signatures, including the project's contract. Follow that practice no matter how much you trust your client.
  - b) Engage in continuing professional development.



See "How to Continuously Improve Your Skills as a Nonprofit Consultant" on page 39 for many guidelines and ideas to improve your skills.

- c) Develop and adopt a code of ethics to guide your consulting services.
- d) Have a lawyer review your boilerplate, or standard contract.
- e) If a client insists on specifying your potential liabilities in contracts with you, limit those liabilities to the amount of the total project fees or do not do business with that client.
- f) Be able to explain your choices and advice to your client, and to others, if required.

### **If You Encounter Questionable or Illegal Practices**

The likelihood that you will encounter illegal practices during your consulting activities depends on:

1. The nature of the activities of your client's organization and your consulting project.
2. Law and regulations regarding those activities.
3. Terms of your consulting contract.

The types of illegal practices that you might encounter might be in the areas of:

- Misappropriation of funds
- Fraud
- Theft
- Violation of employment laws, causing, for example, discrimination or harassment
- Breach of contract

If you encounter any of these questionable or illegal practices, consider the following courses of action:

1. Describe the situation to your client.
2. If they do not respond to the situation, consider describing the situation to a higher level in the client's organization.
3. If they do not respond to the situation, you can either quit the project or report the situation to an appropriate legal authority. If you choose to contact a legal authority, consider contacting your own attorney first.

### **Protecting Your Intellectual Property**

Intellectual property (IP) concerns copyrights, patents and trademarks (or service marks). Simply put, copyrights are to protect ownership (authorship) of written words, for example, in books and

pamphlets. Patents are to protect ownership of processes or technologies. Trademarks and service marks are to protect ownership of names, titles, slogans, images, etc. Copyrights and trademarks are usually the two aspects of IP to which organizational consultants should give attention during projects.

In a highly collaborative approach between you and your client, it is likely that both of you will be using materials that you developed before or during the project (the materials are your intellectual property). For example, you might distribute articles that you wrote about organizational change, forms and templates that you developed, or questionnaires and other assessment instruments that you designed. Early in the project, ideally within the contract, both of you should be clear about the rights of ownership and use of these materials during and after the project.

As an organizational consultant, you may want to use your materials with other clients and in various marketing activities in the future. You may also want to ensure that other consultants and clients are not able to claim ownership of your items, potentially resulting in lost revenue to you and even in lawsuits. Therefore, you should take steps to ensure that your ownership is protected.

To protect ownership of text that you have written and want to own in the future, you should use a copyright mark ("©") on those items that contain the text, for example, at the bottom of the page. To protect ownership of items associated with the identity or personality of your business, such as logos and slogans, put a trademark ("TM") or service mark ("SM").

In some projects, you might agree that you will own certain items produced during the project, for example, if you are generating a manual for them. In those situations of "work for hire," you and your client should specify the ownership of those items in a written agreement.

Consider including the following standard paragraph about IP in all of your written agreements with your clients. The paragraph may need to be modified depending on your arrangement for the project.

**Ownership of Intellectual Property.** The consultant will retain all rights of intellectual property on materials developed by the consultant before, during and after the project.

### **Conforming to Revenue Agency Requirements**

An important consideration for you and your client is whether the particular government agency in the locale of your project would classify you as an independent contractor (an external consultant) to your client or as an employee of your client's organization. That classification can make a big difference in how your personal income is taxed. In the United States, the Internal Revenue Service (IRS) makes that distinction. In Canada, the Canada Customs and Revenue Agency (CCRA) makes that distinction. The following information should not be interpreted as legal advice. Rather, it is to help you ensure that you and your client develop an appropriate contractual relationship.

The concern of the IRS and CCRA is as follows. Some organizations hire people as "independent contractors" who should really be classified as "employees." In those situations, the taxing agencies might assert that the organizations should have withheld payroll and other taxes from the people. The taxing agencies can levy fines and other penalties on the organizations, as well. Consequently, you and your client must be careful when entering into a consulting relationship to ensure that the taxing agency does not deem your relationship to be an "employer-employee" relationship.

In the United States, the IRS has issued guidelines about how to discern if a relationship is really an employee relationship rather than an independent contractor relationship. The IRS guidelines are similar to the guidelines from the CCRA in Canada. Whether someone is deemed by the IRS or CCRA to be an employee or an independent contractor depends primarily on the extent of control that the organization has over the person. The less control in the relationship, the less likely the person will be deemed an employee.

Consider the following actions when attempting to specify your relationship with your client.

1. Carefully specify your relationship with the person in a written contract.
2. The terms of the relationship (specific services, fees, project start and stop dates, etc.) should be specified in the contract.
3. Attempt to arrange fees to be based on results or tasks, rather than on time.
4. In the contract, specify the relationship to be with an "independent contractor" who is responsible to pay his or her own taxes.
5. The person doing the work should have all or considerable discretion in how services are carried out, including the process and scheduling. This criterion is not so clear in a highly collaborative relationship.
6. The person doing the work should be responsible to obtain and pay for his or her own training to carry out the services.
7. The person should not be required to carry out his or her services at the offices of the client.
8. The person should have or be making obvious efforts to maintain business with other clients.
9. The person should have his or her own place of business.

The more a person appears to act as a manager in the organization (for example, makes operating decisions, supervises people and allocates resources), the more likely that a government agency will deem the service provider an "employee" and not an independent contractor.



More information about the United State's Internal Revenue Service requirements is available at <http://www.irs.gov/businesses/small/article/0,,id=99921,00.html>

Consider the following standard paragraph to include in all of your written agreements with your clients. The paragraph may need to be modified by you and your client, depending on your arrangements for the project.

**Independent Contractor.** Both the client and the consultant agree that the consultant will act as an independent contractor in the performance of its duties under this contract. Accordingly, the consultant shall be responsible for payment of all taxes, including Federal, Provincial and/or State taxes arising out of the consultant's activities in accordance with this contract, including by way of illustration but not limitation, Federal, Provincial and/or State income taxes, and any other taxes or business license fees as required.

## How to Continuously Improve Your Skills as a Nonprofit Consultant

If you want to consider yourself a professional, you should regularly engage in professional development. This is true whether you are an external or internal consultant. Considering the recent significant innovations in organizational and management development, it is important that you engage in ongoing professional development, as well. Also, it is critically important that you have a good understanding of nonprofits – you should not start consulting to them without this understanding. There are a variety of useful approaches for continuous professional development.

### Engage in Continuous Learning and Development

One of the most powerful forms of professional development is learning from your own consulting experiences. Many experienced consultants maintain a Learning Journal in which they regularly record their thoughts about what worked in a project, what did not work, what they learned from the project, and how they can use that learning in life and work. This form of development is quite powerful because it follows key principles of adult learning to learn from reflecting on one's own experiences.



See "Cultivating and Guiding Learning" on page 213 for principles of learning and continuous learning, and designing systematic learning plans.

### Know Your Community's Resources for Nonprofits

Depending on the size of the community, there is often a wide range of resources for nonprofits in the community. As a consultant to nonprofits, you should know what resources exist and when to refer your nonprofit clients to those resources. Community resources often include, for example:

- Nonprofit service providers that provide technical and management services to nonprofits.
- Consulting firms that serve nonprofits in a wide variety of services, including technical and managerial.
- Educational and training centers that provide programs, courses, seminars or workshops about nonprofit topics and practices.
- Donors, such as foundations, corporations, government agencies and individuals, who support provision of services to nonprofits.
- Associations that provide opportunities for members to share feedback, materials and networking, along with regular conferences and discounts on purchases.



Appendix B includes listing of several national organizations. Contact those nearest you to identify resources for nonprofits in your community. Also, consult your local telephone directory.

### Use Internet Search Engines

Probably the largest source of assistance to you is the amazing amount of free resources on the Internet. Of course, there is no guarantee of the quality of the information that you will find there just like there is no guarantee of the quality of information that you will get from books or trainings. As with any adult in learning, you are often the "expert" at knowing what is useful for you to learn and when to learn it.



The Google search engine is one of the most powerful Internet search engines. Go to <http://www.google.com> or your favorite search engine.

### Find a Mentor

Many might argue that it is unethical for you to begin consulting on organizational and management development projects without having first worked with more experienced consultants or mentors. Without having a mentor, you might hurt the health of your client's organizations and even yourself. The problem is that, even after having read a great deal of literature about consulting and organizational development, you still might not realize what you need to know, but still do not know. The concept of "shadow consulting," or working closely with a more experienced consultant, is becoming much more common than even a decade ago.



See "Sources of Nonprofit Consultants and Mentors" on page 465 in Appendix B for sources of possible mentors.

A rather novel approach to mentoring is virtual mentoring. You might find a mentor willing to provide you guidance and support by using various means of telecommunications, for example, on-line forums or discussion groups.



See "Web Sites and On-Line Forums" on page 466 in Appendix B for major, on-line forums that might be useful for virtual mentoring.

### Engage in Networking

Networking with other consultants can be useful means for you to exchange useful information and materials about established and state-of-the-art tools and techniques. It is not uncommon that networking activities among organizational consultants also includes internal consultants – experts who are employees of organizations and responsible to consult to other departments in that organization. Thus, networking can be a useful means to advertise and promote your consulting business.

Professional organizations usually provide wonderful opportunities for networking and many of them have chapters in various states. Numerous organizations are listed in Appendix B.

Frequently, consultants organize small, local networking groups among themselves.



See "Sources of Nonprofit Consultants and Mentors" on page 465 in Appendix B, for organizations that can provide you, or refer you to, networking groups.



See "Web Sites and On-Line Forums" on page 466 in Appendix B for major, on-line forums in which you might conveniently network.

### Obtain Ongoing Support

Many professions use practitioners support groups, for example social workers, therapists and lawyers. The activities of organizational consulting can be quite frustrating at times, depending on your nature and the nature of your particular consulting project. Thus, a support group might be an extremely useful resource for you.

Note that consultants can gain support from a variety of types of resources. That might be an important consideration for you because, among some consultants, the notion of "support groups" might seem a little too "touchy feely." An irony here is that many times, from networking and problem solving groups, consultants report that one of the most useful outcomes is support.

Consultants might gain support from a variety of sources, for example, from mentors and peer groups. Forms of useful peer groups might include study groups, discussion groups, dialogue groups or peer coaching groups.



See "Sources of Nonprofit Consultants and Mentors" on page 465 in Appendix B for sources of organizations to join or get referrals from, and to join or form support groups.

### Absorb Additional Readings

Start your practice by reading literature about consulting. Much of that literature is about starting a consulting business, for example, conducting an inventory of consulting skills, developing marketing materials or setting up a home office. Sometimes that literature also includes very basic guidelines for identifying and solving problems in client's organizations.



See the annotated list of resources in "Consulting" on page 501 in Appendix D for books about consulting.

Next, read literature about the field of Organization Development (OD). OD focuses particularly on guidelines and materials to conduct effective organizational change. Thus, OD literature is critical to the consultant who seeks to work with nonprofits on projects that are significant in scope.



See the annotated list of resources in "Organizational Development and Change (including Appreciative Inquiry)" on page 504 in Appendix D for books about guiding change.



See the long list in "Recommended Readings – an Annotated List" on page 499 in Appendix D for numerous other useful publications about nonprofit functions, for example, nonprofit Boards of Directors, strategic planning, leadership and supervision, programs and evaluation.

There is a wide variety of national publications about nonprofits.



Two of the most prominent publications are the *Nonprofit Times* (<http://www.nptimes.com/>) and the *Chronicle of Philanthropy* (<http://www.philanthropy.com/>).

### Attend Training Sessions

There are an increasing amount of conferences, courses, seminars and workshops about consulting, organizational change and nonprofits.



See "Professional Organizations" on page 464 in Appendix B to identify or get referrals to organizations that provide training sessions.

### Volunteer Your Services

One of the most powerful approaches for you to learn about nonprofits might be for you to volunteer your services to nonprofits. For example, you might join a Board of Directors. Nonprofits that value their Boards often arrange for training and orientation sessions for Board members.

Your locale might have an organization that provides volunteers to nonprofits.



See "Professional Organizations" on page 464 in Appendix B and consider contacting one of the chapters of the professional organizations to investigate opportunities for volunteering.

## Understanding Yourself as an Instrument of Change

### You Are an Instrument of Change – Every Part of You

#### Know Yourself to Know Your Clients

Consultants cannot work completely separate from their client's organizations. The moment that a consultant begins to communicate with members of the client's organization, that consultant begins to make a difference in the organization – that consultant is an "instrument of change." You cannot be a successful change consultant if you do not understand yourself as the "tool" and how that tool is used. Guidelines in this section will help you to understand how you can be a successful instrument for change in your client's organization. The guidelines are useful in all phases of the collaborative consulting cycle. The guidelines are applicable whether you are an external or internal consultant.

We often perceive what we believe and our perception is reality. Our beliefs are based on our perceptions and assumptions about ourselves and the world around us. The accuracy with which you understand your clients, their problems and their organizations, depends a great deal on how well you understand yourself. You must recognize your own biases about organizations, including how organizations should be led and managed. You need to recognize the "lens" through which you filter your perceptions about organizations. You also need to recognize how you prefer to collect and organize information, along with how you solve problems and make decisions about that information. Those features of yourself comprise your "mental model," or your mental framework that drives your perceptions, assumptions, beliefs and, ultimately, what actions you take in the world.

#### Success Comes from Your Expertise – and from Who You Are

There are other advantages to having a clear understanding of yourself during consulting projects. The quality of the working relationship between you and your client often determines the quality of the project itself. Successful organizational change projects require the strong, ongoing ownership, commitment and participation of your clients. To get that from your clients, you must engage in a highly collaborative relationship with your clients. However, first your clients need to feel respected and trusted by you. They need to believe that your values and style are compatible with theirs. You can influence your client's impressions by understanding how you "come across" to people in different situations. That kind of self-awareness is a great asset for you, particularly when working to understand and adapt to different cultures.

The guidelines throughout this overall section will help you to maintain a strong awareness of yourself and how clients might perceive you during your projects.

#### Use Guidelines in This Section to Understand Clients

Experts in organizational change assert that it is critical for consultants to understand the culture of their client's organization. They assert that successful organizational change often means successful change in the culture, as well. One of the approaches that you might use to understand the nature of your clients, and others with whom you work in your client's organization, is to tactfully ask them about their biases on organizations, their "lens" through which they view organizations, the style they prefer when working with others, and their preferred approach to problem solving.

## Special Topics in Nonprofit Consulting

There are certain situations that can occur in an organizational consulting project, depending on the nature of your client's situation and priorities and on whether you are an external or internal consultant. Each situation might occur in a completely different fashion. If you find yourself in any of these situations, the following guidelines will be useful to you. The situations include:

1. How to define project "success"
2. How to work with nonprofit service providers during projects
3. How to collaborate with consulting teams ("tag teams")
4. How to work for a committee
5. How to work when contracting to provide recommendations only
6. How to know when to ask for help
7. How to know when to leave a project

### How to Define Project "Success"

Your client's perception of project "success" is the basis from which your client concludes, for example, whether the project of high quality, that money paid to you was well spent, that you did a good job as a consultant, and whether you might be hired again (if you are an external consultant). Early in the project, it is important for you and your client to discuss how to determine the success of the project. Letts, Ryan and Grossman (1998) suggest that the three overall outcomes of capacity building with nonprofits include: 1) helping the nonprofit to do what it already does, but better; 2) improving its ability to grow; and 3) improving its ability to change.

Unfortunately, determining whether a project was successful or not is not nearly as easy as it might seem because there are numerous perspectives on what is project "success." Therefore, it is important to consider all of these perspectives, especially about a complex – and usually changing – project. Consider the following possible definitions of what might be considered as "success" in your consulting project, and work with your client to select one or more.

1. **Desired outcomes and results listed in the project agreement are achieved.**  
Both you and your client should somehow specify the overall results that the project is to achieve. Ideally, the results are described in terms such that you both could readily discern if the results were achieved or not. This outcome is often a measure as to whether the project was successful or not.
2. **The client's problem is solved.**  
More times than people realize, the originally specified project results have little to do with actually solving the most important problem in your client's organization. That occurs because, as you and your client work together to examine and address their overall problem, you both realize that there is a more important problem to address. At that time, it is wise to change your project plans if both of you agree. Discuss the new results that you prefer and how you will know whether or not they are achieved.

Still, later on, your client might believe that any agreed-to results that were achieved from the project were not as important as addressing any current, unsolved problems, so your client might still conclude that the project was not as successful as it should have been. Or, your client might believe that any achieved results were actually more useful than addressing the original problem that you discussed, so your client might still conclude that the project was highly successful.

3. **The project is finished on time and within budget.**  
Often, your nonprofit client has limited resources in terms of money and time. Therefore, any project that did not require more time and money than expected might be considered successful. That might be true, especially if your client has the philosophy that there are always problems to be solved in any organization and that the project was done as best as could be done.
4. **You and your client sustain a high-quality, working relationship.**  
As explained throughout this Field Guide, the quality of your relationship with your client is often directly associated with what the client perceives to be the quality of the project. In a highly collaborative approach to consulting, you want your relationship with your client to be as open, honest and trusting as possible. The nature of the relationship supports your client's strong, ongoing commitment and participation in the project itself, which, in turn, helps to ensure that the project effectively addresses problems in their organization.
5. **Your client learns to address similar problems by themselves in the future.**  
This outcome should be one of the major goals for any consultant. However, the exact nature of the problem may never arise in the client's organization again, so it is often difficult to assess if the client has learned to solve that problem. Also, few consultants are willing to scope a project to the time required to assess whether a client really can solve the same type of problem in the future.
6. **Your client says that they would hire you again (if you are an external consultant).**  
One of the most powerful outcomes is that you both are willing to work with each other again. One of the ethical considerations for any consultant is to avoid creating a dependency of the client on the consultant – where the client cannot capably participate in the organization without the ongoing services of the consultant. However, it is not uncommon that the client strongly believes that the quality of the relationship with the consultant is as important as the consultant's expertise. The client might choose to use that consultant wherever and whenever they can in the future.
7. **You get paid in full.**  
This perspective might sound rather trite to include in this Field Guide. However, you might feel good about the quality and progress of a project only to conclude, later on, if you have not been paid as promised, that the project was not successful.

## How to Work with Nonprofit Service Providers During Projects

As an external consultant, there are a variety of situations in which another nonprofit service provider (a provider other than yourself) might be associated with your project. These situations seem increasingly common and might include:

- A management and technical service provider (for-profit or nonprofit) that hired you to provide services to a particular nonprofit organization.
- A foundation that hired you to provide services to a grantee.
- A foundation that provided funds to the grantee and the grantee hired you to provide services.

In any of those situations, the other provider might be considered one of your clients, as well as certain people in the nonprofit organization that is the direct recipient of your services. If you are working with a nonprofit service provider during a project, the provider might have various preferences about how you do your consulting. If so, the provider and nonprofit should inform you of those preferences. The following guidelines will help you think about your role and the role of a provider during your projects.

### What Is a Nonprofit Service Provider?

There is a diversity of nonprofit service providers. For example, providers might focus on certain types of services, certain types of nonprofits or certain geographic areas. Examples include:

- Associations
- For-profit consulting firms
- Foundations
- Nonprofit consulting firms (management support organizations)
- Training centers

### How Do Providers Usually Operate?

Depending on the situation, the provider might perform a variety of activities, including some or all of the following:

1. Interview the nonprofit organization to understand its "presenting" priority.
2. Enter into a contract with the nonprofit regarding project results, services, fees, etc.
3. Work with the nonprofit to ensure the most suitability between the nonprofit and a potential consultant.
4. Arrange the first meeting between the nonprofit leaders and you.
5. Demand that the nonprofit and/or you make certain changes in the nonprofit's organization.
6. Contact certain nonprofit personnel on a regular basis about the quality of the project.
7. Contact you to get impressions of the project.
8. At the end of the project, conduct some form of evaluation about the project.

### Guidelines for a Successful Relationship During the Project

If you are working for, or will be working with, a nonprofit service provider during a project for major organizational change, the following guidelines will be useful to you. Your activities during the project depend to a great extent on the situation in which the provider is involved, how the provider prefers to operate, and how the recipient of your services prefers to be involved.

1. Make sure there are written contracts for the project. Depending on the situation, there might be a contract between you and the provider, you and the nonprofit, and/or between all three parties. The contract should specify the roles, rights and requirements of each of the parties, and what kinds of information should be shared with whom and when.
2. Encourage that all three parties see and sign the contracts to ensure key personnel are aware of all roles, rights and requirements. Otherwise, one or more parties are left to speculate – and sometimes be suspicious and resentful – about the role of the other parties.



See "Proposals, Contracts and Letters of Agreement" on page 251 for considerations when developing a contract.

3. If the provider initiated the contract with the recipient of services, ask to see the provider's proposal and/or contract with the recipient. Review the roles, rights and requirements of all parties in that contract.
4. If the provider brought you to the project to address certain issues, fully understand the provider's "diagnosis," or conclusions and recommendations, about the presenting priority in the nonprofit's organization and how those conclusions were made.
5. Negotiate to make changes to contracts and diagnoses, if necessary.
6. If you have not yet been selected for the project, seek to understand the provider's and recipient's requirements for selecting a consultant. Ensure that those requirements meet your nature and needs as a professional.
7. Before the first meeting with the provider and the nonprofit, understand who will attend, your role in the meeting, and how much time you will have to talk during the meeting. Also understand any limitations on what you can say, as suggested by the terms in any contracts.
8. Arrange to see the results of any project evaluations conducted by the provider and/or nonprofit during and after the project.
9. Arrange to obtain letters of recommendation from the provider and/or nonprofit after the project.
10. During the project, always provide written status reports to relevant parties per the terms of any contracts.

### How to Collaborate with Consulting Teams ("Tag Teams")

The following guidelines are about working with groups of consultants on a particular project, both external and internal to the organization. The guidelines apply to external consultants.

The guidelines are not about forming and working with a group of internal consultants within an ongoing business that attends to ongoing projects.

#### Benefits of Consulting and/or Project Teams

It can be a major advantage to collaborate with a team of consultants or members of your client's organization during a project, especially during a large, complex project. Benefits include:

- Occasionally, a client or nonprofit service provider will specify that they want a team of consultants on the project because the project requires substantial expertise and resources.
- The team can provide a wide variety of expertise and perspectives during the project, often resulting in a more accurate understanding and resolution of problems in the client's organization.
- If the team is designed well, members often provide useful ongoing support and feedback amongst each other, as well.
- If a consultant suddenly is not able to work on the project, other consultants can step in to cover for the missing consultant.
- As a result, consultants enjoy a more successful project and develop a network of trusted peers.

A team on a project might include:

- An organizational change consultant to guide development of the collaborative relationship and overall project plan.
- Board trainers who ensure the Board of Directors is sufficiently developed to oversee the organizational change project.
- A strategic planning facilitator to guide development of an overall strategic planning framework in which the organizational change plan can be integrated.
- Program specialists to guide development of program plans, including outcomes, groups of clients to serve, methods to achieve outcomes and the designs of evaluations.
- Marketing consultants to provide expertise, for example, in market research, public relations, branding, and advertising and promotions planning.
- Fundraisers to guide development of fundraising plans.
- Trainers to convey "expert" content at various times to various members of the client's organization.

## Guidelines to Form and Operate Consulting and/or Project Teams

Similarly to other successful teams, a project team needs to be built carefully. It requires certain systems and structures to operate effectively. A team is essentially an organization. Consequently, the ideal approach to building and operating teams is to do all of the things necessary to develop, lead, manage and operate an organization. Usually, that extent of care and resource is not available for teams. However, the following guidelines will ensure that your team has the necessary systems and structures in place to start operating together and to learn and adjust as necessary to operate as an effective team.



PART V will be useful to you when forming the team of consultants and managing for productive meetings.

1. **Leadership roles.**  
The leadership of the group is responsible to set the direction and guide others to follow that direction, including providing means to identify and solve any problems in the group, and making decisions in the group. Other guidelines in this topic apply to the leadership role. There should always be one lead consultant who is ultimately responsible for the function of the team, including clarification of roles, communication with the client, and intercommunication among group members.  
  
Note that different "sub-leaders" might be needed at different times. For example, the strategic planning facilitator might lead the participation of the team of consultants during the strategic planning activities. Afterwards, the program consultant might lead the marketing and fundraising consultants during program development. Note that getting a Field Guide for each of the team members could be useful to address the following guidelines.
2. **A suitable match among the natures and needs of the team members.**  
Just as a strong self-awareness of consultants helps them work effectively with clients, that self-awareness helps them work effectively with other consultants. Therefore, each consultant should understand their own personal biases, style, lens on organizations, and preferences for solving problems and making decisions. Information from PART I of this guide can be helpful to members of the team to develop their own self-awareness.
3. **Common values and language about the way they work.**  
Consultants to the same type of client organizations can have different ways of working. For example, it is not uncommon that facilitative (process) consultants have a different way of working than expert consultants. The direction and energy for the facilitative consultant often comes from the client. The direction and energy for the expert consultant often comes from the consultant. The organizational consultant might talk about terms, such as change, systems and performance. The expert consultant might talk about goals, objectives, training methods and procedures. Therefore, it is important early in formation of your team to discuss the potential differences in how consultants might work even when in the same team.
4. **A clear understanding of the team's overall purpose and each individual's role.**  
Each consultant or member of the team should know where he or she fits into the overall project plan. Members of the team should review the overall project plan to understand their role. They should understand when and where they come into the project. The lead

consultant should ensure that the client is always aware of which consultant will be working with them and how.

5. **Mechanisms to effectively communicate with each other.**  
Each consultant or member of the team will need to be aware of the progress of the overall project, including current status regarding deliverables and scheduling. Each member will need to coordinate the hand-off to the next member. The lead consultant will ensure that hand-off is carried out successfully. All members should share the same mechanisms for communication, for example, have regular status meetings or share an e-mail list.
6. **Means to thoroughly identify and resolve problems in the team.**  
The types of problems that can occur in a team are usually about:
  - a) Unclear expectations among members regarding roles and timing to work with the client.
  - b) When the client struggles to work with numerous members.
  - c) When one or more members need to leave the team.

The other guidelines in this topic are all useful in addressing these most common types of problems in teams in projects.

## How to Work for a Committee

Occasionally, a project is configured so you are accountable to a group during the project, such as a Board committee. This is true whether you are an external or internal consultant. You might be asked to regularly report to the committee. The committee members, as a whole, might make project decisions about the project.

There are certain challenges in that situation. For example, members might have different perceptions of problems in the organization and what needs to be done to address them. Committees might struggle to come to agreement in a timely fashion. Sometimes, members of the committee are members of the Board of Directors. Board members are almost always volunteers to the nonprofit organization and have full lives outside of their work with the nonprofit. Board members usually do not give ongoing, complete attention to the project. Therefore, they may spend their time on the committee in trying to remember what they talked about when they last met. All of those challenges can be a major obstacle to the success of any consulting project.

As to how you might work to address those challenges, you need to be tactful, always being respectful and supportive. The following guidelines might be useful when you are reporting to a committee.

1. **As much as possible, interact with members as an entire committee.**  
At various times during the project, you might find yourself interacting differently with various members of the committee. For example, you might be spending much more time with certain members or you might be sending reports to some members and not others. As much as possible, attempt to avoid those situations. If those situations do occur with certain members, ask those members how all other members will learn about the results of your interactions with them. Encourage members to ensure all other members are always up-to-date about the project.

2. **Gently help committee members to competently operate amongst themselves.**  
For example, even though you may have not been hired to help the committee to operate effectively, you still might offer them any materials with guidelines that might seem useful. Offer the materials in that spirit – that you are just trying to be helpful. You should offer the materials right away in the project, not later on after you might have experienced problems with the committee. After providing them the materials, do not push the matter any further. Leave it up to the members as to whether they use the materials or not.



See "Guidelines to Form and Operate Consulting Teams and/or Project Teams" on page 104 for guidelines that might be useful to committee members.



PART V, starting on page 369, also includes many guidelines that might be useful to committee members at various times during the project.

3. **Ensure that the committee has reviewed the consulting project plan.**  
The plan usually specifies the results to be achieved during the project, the methods to achieve those results, and the schedule to carry out the methods. As to finding out whether all members of the committee have seen and actually approved the plan or not, you should be tactful. For example, you probably should not demand that all members sign the project plan. However, in a meeting or on a written communication to members, you can pose the question as to whether all members have seen the project plan or not.
4. **Ask the committee to establish consistent communication with you.**  
For example, strongly encourage that you have ongoing, face-to-face meetings with the entire committee. Suggest that you send all members regular written project reports. Follow practices of effective project reports, including description of highlights of past actions, plans for upcoming activities, and especially, the request for any member to get back to you by a certain date if they disagree or have concerns about anything on the report.
5. **Encourage committee members to participate in various phases of the project.**  
Without direct involvement in project activities, members can get so detached that they lose motivation and interest in the project altogether. As a result, they lose their usefulness to the project. This can be true, especially for volunteer Board members who do not spend a great deal of time on the project. One of the most powerful ways to re-energize and refocus members of the committee is to involve them in project activities, such as developing action plans or coaching leaders in the organization.

## How to Work When Contracting to Provide Recommendations Only

Occasionally, clients might specify that the major result of your project is to write a report. This is true whether you are an external or internal consultant. There are several situations in which that might be useful for your client, for example, your client wants to:

- Find out what the problem is before they commit resources to solving the problem.

- Ensure they are satisfied with the nature and quality of your work before they contract with you to actually implement recommendations from the report.
- Provide a report to a funder.

This situation can be a challenge for the consultant who prefers to work in a highly collaborative fashion, and greatly values what can be accomplished and learned from taking action. Also, many experienced consultants have learned that far too many reports just end up on shelves. Therefore, it is important in this situation to ensure that the report is useful to your client.

Consider the following guidelines.

1. **Clarify the client's desired outcomes from using the report.**  
Ask your client to describe what people would be able to do as a result of reading the information in the report. Be clear that you are not focusing on what people would do as a result of implementing recommendations from the report, rather only from reading the report.
2. **Clarify who the specific audiences of the report will be.**  
Different audiences might value different information from the report. For example, Board members might want an Executive Summary with highlights. Staff members might want more detailed information about how problems were identified. If your client plans to use an outside consultant to resolve problems described in the report, the report will likely need sufficient information to describe the dynamics of the problem.
3. **Early in the project, address matters of implementation of recommendations.**  
Mention that, many times, recommendations from reports are not implemented. Ask your client for ideas on how they can ensure the recommendations are implemented. By asking them, you are reminding them of the difference between reading a report and actually implementing recommendations from the report. Hopefully, you are also cultivating their interest and participation in carefully designing the report.
4. **Focus on relevance, utility and practicality.**  
Reports that focus on scientific accuracy, validity and reliability can generate extensive amounts of data that generate solid conclusions. However, far too often, the reports end up sitting on a shelf because the authors did not consider the usefulness of the report and how its recommendations might actually be applied.
5. **Remind your client, developing the report is as important as the report itself.**  
This guideline is similar to developing other plans, for example, strategic plans or business plans. The report's development process is where the learning is generated.
6. **Use the collaborative approach to consulting to also develop the report.**  
If you develop the report yourself, the contents of the report are not likely to be nearly as useful as when you include the various perspectives and learning from other members of the organization.
7. **Involve the right people in developing the report.**  
Similar to guidelines for developing effective plans, the people who will be involved in implementing the recommendations from the report should be involved in developing the report. That approach ensures the report includes all key perspectives to the problem and the

solution, and also cultivates ownership and commitment to implement any recommendations later on.

8. **Include an Implementation Section.**  
If possible, include a section in the report that specifies what roles should do what, in what order and by when. Consider including guidelines for monitoring implementation of the plan, as well.
9. **Ensure your client reviews ongoing drafts of the report as it is written.**  
That practice ensures that the report starts out in the right direction before you put a lot of effort into it. It also reminds busy clients that the report is another project to which they need to provide attention.

## How to Know When to Ask for Help

Because an organizational project often focuses on changing a significant portion or all of an organization, it is common that the project includes changing various systems and functions about which you are not an expert. One of the major ethical principles of good consulting is to ensure that you do not expand your role in a project beyond that of your own skills and expertise. Therefore, it is critical for an organizational consultant to know when to ask for help. This is true whether you are an external or internal consultant. Consider the following guidelines when faced with this type of situation.

1. **Have you ever done the activity before?**  
If not, what makes you think you can do it now, to the extent that your client might pay you for it?
2. **Do you want to gain that expertise that you do not have now?**  
Then consider "coat tailing" an expert – to ask to work alongside an expert in the project. Or, ask someone to "shadow" you, providing a sounding board and expert help as you work through the project.
3. **Consider the same reasons that people hire consultants in the first place.**  
Those may be the reasons that you and your client bring in new expertise.



See "Reasons Nonprofits Work with Consultants" on page 4 to review numerous reasons that consultants are hired.

4. **Have a list of resources available to provide a range of specific expertise.**  
For example, fundraising, Board training, grant writing, computer installation, and maintenance or evaluation design.
5. **If you bring in extra help, consider forming a consulting team.**  
There are several advantages to forming a team of consultants.



See "How to Collaborate with Consulting Teams ("Tag Teams")" on page 103 for the advantages of consulting teams and how to form them.

Realize that you could end up hurting your client and their organization – and your credibility, a precious asset for a consultant – if you stretch yourself to consult in an area of expertise in which you are not an expert.

## How to Know When to Leave a Project

### Why Would You Leave a Project Before It Is Over?

There are many reasons why you might consider leaving a project, especially if you are an external consultant. For example, major changes in your clients' organization might make it extremely difficult for you to finish the project, such as your client no longer having sufficient funds to pay you. Or, you might have become quite ill.

However, it is rare that reasons for leaving a project are that straightforward. Instead, reasons are usually less clear, for example, you might be faced with leaving because:

- You have encountered sustained resistance from various members of your client's organization, regardless of your various attempts to address that resistance and, as a result, there is decreased likelihood of project success.
- The quality of your relationship with your client has greatly deteriorated, for example, you experience ongoing conflicts and little trust, even though the project seems to be progressing in terms of addressing problems in the organization.
- You encounter unethical practices or other activities that are directly in conflict with your values.

### Considerations If You Choose to Leave

We often learn the most from our mistakes, from our major challenges in life and work. Therefore, be careful about concluding that you should leave the project. Consider the following questions.

1. **If you are working with another service provider, have you involved them?**  
For example, if you are working for a nonprofit service provider, then you should immediately notify the provider of your concerns. The provider may be the party ultimately and legally responsible for performing according to the terms of the contract, so they must be told as soon as possible about any issues. The provider may be able to help you with some ideas to improve the situation.
2. **Have you really tried hard to address your issues with your client?**  
What have you done to manage your stress management lately? For example, have you had an authentic discussion with your client about your concerns? What resources have you tapped? Have you asked any peers for feedback and support to address your issues with your client? What else might you still do?
3. **What is in your contract with your client?**  
Contracts often specify the terms of project termination, for example, "Either party can terminate this contract with at least 30 days written notice to the other party." Are there other clauses that pertain, for example, clauses about penalties or reimbursement for damages.

4. **What will be the impact on your client's organization?**  
Realize that the effects might be dramatic. For example, members of the organization might conclude that their problem is so hopeless that you chose to leave the organization. What would be the effects of that conclusion? What project activities are underway in the organization and what might be the impact on those activities? Have you discussed this situation with peers to ensure that you are aware of any hurt or damage that might be caused by your leaving?
5. **What are the alternatives for your client?**  
Can your client bring in another consultant? How would that transition from you to the new consultant occur? What if your client does nothing? Are there actions that you can recommend that your client can undertake in the short-term? Long-term?
6. **What if the client fights hard to make you stay?**  
It is surprising how often we can assume that others have the same perceptions and feelings as we do about an event, especially when our perceptions are clear and feelings are strong. Unless you have had an authentic discussion with your client, you should be aware that your client could have any kind of reaction to your intention to leave, even if you believe that your client really wants you to go. How will your client respond to your intentions to leave and how do you know?
7. **How might this affect your reputation?**  
One of the most important assets of any consultant is his or her reputation. It is surprising how small the community of nonprofits and consultants really is. Particularly, if your client has strong negative feelings about you and your leaving, word could spread quickly, causing substantial damage to your reputation and credibility as a consultant.
8. **What can you learn from this situation?**  
How did you get yourself in this situation in the first place? What could you have done differently? What might you do differently in the future? Is there any learning that you can share with your client? If so, be careful to offer it as feedback from you, not as judgments about them.

If you have thoroughly addressed the above-listed questions and still decide to leave the project, then if you are working for a provider, termination should be according to their preferences. If you are not working for a provider, promptly comply with the terms of your contract, for example, submit a written letter of termination to your client. Be sure to copy at least two people in your client's organization. Do not go into extended analysis of the cause of your leaving. Instead, mention "for personal reasons" or "because I can no longer be useful in helping the client."