When thinking about organizational change, the question often arises whether or not to engage a consultant. There are important advantages to hiring professional help:

- It's a complex endeavor – having expert help is good, even essential at times.
- Consultants are neutral – not a stakeholder and are relatively free from organizational biases, interests and dynamics.
- They bring expertise, tools, and processes, and the kind of pattern recognition that comes from years of experience.
- People in organizations often feel safer with a fair witness, someone to help hold leaders accountable and "speak truth to power."
- A good consultant/coach can offer honest feedback and support to the top leader in ways that no insider can.
- A consultant can provide the consistent attention and focus lacking in staff with competing organizational priorities.

But there are also potential downsides and pitfalls:

- **Consultant's lack of skill**
  Those who choose to dedicate themselves to serving the social change sector always have good values, but may or may not actually provide high quality service.
- **Cultural fit**
  Those with excellent skills (especially those who have worked primarily in the for-profit sector) may not be in tune with the cultures of progressive non-profits, the smaller scale and limited resources of many of our organizations, or may be lacking in cultural competency.
- **Consultant's beliefs and perspectives**
  All human beings bring their own subjectivity. There may not be a good fit between the ways the consultant and client view the situation or a shared sense of values and priorities.
- **Rapport**
  The consultant-client relationship requires very high trust. There may not prove to be sufficient personal chemistry to achieve the needed level of partnership.
- **Cost**
  Consultants are expensive. Good consultants, more expensive.
- **Right use of consultants**
  Even if organizations do find the right consultant to work with, leaders often don't know how to successfully use and manage them (more on this later).

Types of organizational consultants

There are a variety of practitioners who do this work:

Generalists

Like general practitioners or family doctors in the medical profession, generalists have a fairly wide level of competence in a fairly wide array of organizational needs. They do not necessarily have deep technical expertise in a distinct organizational competency (e.g., communications or fundraising). They may have a network of specialist colleagues to call on if the client needs expert help in a particular functional domain. Most generalists work regularly with needs such as team building, visioning, planning, facilitation of meetings, leadership development, and coaching.

Specialists

Specialists focus primarily in one or more areas of work such as strategic planning, board development, fundraising, communications, performance management, diversity, etc. Many generalists may also have one or more areas of functional specialization.

Companies

These are consulting organizations with a number of consultants on staff or contract. You will typically work with a case manager or lead consultant, who then assembles a team of resources to meet client needs. Companies who work in our sector include:

- Large firms like Bridgespan, who specialize in non-profit work
- Major companies like Monitor and McKinsey & Company, who work in both for-profit and nonprofit environments and have their own social sector offices with typically discounted rates. They only occasionally work with progressive organizations, and when they do, it's usually with larger organizations rather than grassroots.
- Smaller firms (sometimes themselves nonprofits) specializing in progressive advocacy groups like the Management Center, The Management Assistance Group, Interaction Institute for Social Change, and Movement Strategy Center
- Looser networks of consultants like the MAP program and Mobius Leadership

Transformational Consulting

Due to the spread of transformational approaches to leadership development in the social change sector over the past few years, there is increasing demand for consultants who can bring a transformative approach to organizational development.

Organizational Transformation is a methodology that attempts to address the current research showing the failure of over 70% of organizational change initiatives. What is unique and powerful about the transformational approach is that it can create inspiring breakthroughs in the way people think, feel and behave while simultaneously working in an integrated way to shift the structural conditions in which they live and work.

The Wheel of Change is a model that is gaining acceptance as a way to understand and implement transformational change. But, regardless of whether this particular model is used, transformational practitioners believe that in order to produce sustainable change in an organization, there must be a systemic, integrated attempt to deal with three domains of organizational life: the **hearts & minds** of people who work there, daily human **behavior**, and the **structures** in which people work that shape their experience.

It can be challenging to actually find consultants who work in an integrated way with all three domains. It is common to find professionals who are strong in strategy, structure, performance, etc., but less skilled in the area of hearts & minds. While most consultants will claim that they work with organizational culture and people issues, many do not embody nor bring to bear the skills and practices that produce real breakthroughs in hearts & minds. But many of the consultants who focus primarily on hearts & minds are better at producing initial breakthroughs in how people feel and think, and less skilled at implementing sustained behavior change or addressing structural needs.

One of the purposes of this paper is to help create a broader and shared understanding of the need for an integrated, transformative approach among both organizational leaders and practitioners of organizational development.

Finding Consultants

Having a nice website or an impressive client list is not a guarantee of a first-rate consultant. It is always best to get personal recommendations from people you trust. Talk with other leaders in your network. Some funders maintain lists of consultants they have used.

Defining Your Needs

It is helpful to have as clear a sense as possible of what you want before reaching out for external resources.

One of the most common mistakes I see in engaging consultants is the tendency to hire for an activity. *"We need someone to come facilitate our staff retreat." "We need to reorganize our reporting structure." "We have a challenging board meeting coming up. Let's hire someone to help us run the meeting."*

Don't hire consultants for an <u>activity</u>. Hire them to deliver particular <u>results</u>.

Why do you want someone to facilitate the retreat? What's the purpose of the retreat? What are you really after? What would success look like? What are the specific outcomes you want to see? You think you want someone to come facilitate a retreat. Why do you want to have a retreat? What do you really want to see happen? Enhanced teamwork? Success in completing a particular piece of work? Resolving tensions or a particular conflict?

A retreat may or may not be the best way to create these outcomes. And even if a retreat is useful, it may need to be preceded by other kinds of work to ensure success in achieving those outcomes. What about follow-up? In the interest of expediency and cost, we often fail to invest the work and resources needed to actually embed the needed changes in behavior.

If goals for the consultancy are not clear, then work may be contracted that doesn't actually meet the real strategic and cultural needs of the organization.

Potential consultants can (and should) help you refine the outcomes, but the clearer you are on purpose and outcomes from the outset, the easier it is to find the right resource to assist you.

Does the consultant have to know our sector/work/politics?

This depends somewhat on the nature of the work. Your needs may require sector-specific expertise – for example, expert help in strategy formulation. Experience with groups exactly like yours may be less essential for more general work like leadership development, team building, performance management, etc. However, there is indeed often an advantage to hiring consultants who have done at least some work with groups like your own. Aside from the inherent pluses of prior experience, staff may more easily feel trust and confidence in someone who "speaks their language." I have seen wonderful, highly skilled practitioners be rejected by the "immune system" of progressive organizations because of insufficient familiarity with their work, their culture and their politics.

How do I know if the consultant is any good?

The field of organizational consulting doesn't necessarily have a stellar reputation in our social change sector. People have experienced very mixed results. A number of years ago I was invited to facilitate a Greenpeace members meeting. At the lunch break, several people came up to congratulate me saying, *"You're the first facilitator that we didn't throw out within the first few hours."* Now it's true that my Greenpeace friends (given their motto of "No Compromise") may not always be the easiest group to facilitate, but this also says something about the caliber of consultants they had experienced.

There are some excellent consultants out there. However, there are also a lot of good people who may have great progressive values but insufficient skill in really managing organizational change. There is no certification path for consultants. A Jane's List for consumer feedback on consultants doesn't exist (though what a great idea!). Personal recommendations are very helpful. Beyond this, take a look at the following section on interviewing and selecting consultants.

Interviewing and Selecting Consultants

This is an important decision. You will be investing not only considerable money and time, but also the hopes of your people. Failed change efforts are very disheartening, and can leave a legacy of cynicism that becomes a hurdle for future change efforts.

It might be helpful to think of this like a dating process. You will probably want more than one meeting before engaging a consultant. The first meeting has several elements and purposes:

1. You should describe at some length your situation. What's going on that you would like help with? What is the change you want to see? As best you can currently define it, what would success look like? What would concretely be different as a result of the change process? What is your greatest aspiration? What are the constraining forces, resistances and obstacles you need to solve to get there? What is the level of organizational will and alignment for the change that is needed? How do you hope the consultant can be of service in the change process?

2. Experience the consultant in interaction. How well do they listen? What kinds of questions do they ask? How well do they "get" you and the situation? Are they able, in a relatively short time, to communicate back to you their understanding of your situation in a way that gives you confidence?

3. Ask the consultant to tell you stories of their client engagements and listen for their underlying theory of change, the holism of their model and the values underneath their examples of how they work with clients.

4. **VERY IMPORTANT**: Do they create value for you in this first meeting?
   As a consultant, I approach first meetings primarily as an opportunity to create value for my client. Yes, I'm testing out whether I want the job, and I'm giving them the opportunity to see if they want to hire me. But, if we should never meet again, I would like them to have received a gift of real value from our interaction. After spending a few hours meeting a consultant, if they're good, you should have received some real value from the interaction.

5. The consultant may or may not be prepared to offer you solutions or specific recommendations at this first meeting. Especially if the situation is complex, they may validly want more time to think, gather more information, or consult with colleagues before giving specific recommendations. That said, you should come away from your first meeting with an idea of how they might approach your situation, and a gut sense that they're on the right track. You might wait for a follow-up memo or email back from them. Then, if you still don't feel you have a good connection, you probably don't want to invest further time with this person.

   Sometimes a consultant will be the first to say that they are not the right person for a particular piece of work. If they decline the job on their own, keep their name for future engagements. Knowing when not to take a piece of potential work and putting the client first in this way is actually a good sign of their ethics, professionalism, and skill.

6. Trust
The initial interview is a time to start testing if the consultant is someone you are going to be able to trust, as this is fundamental to a successful change partnership. There are a number of dimensions to trust:

- Motivation: that the consultant has your best interest always at heart; that they are not running any other agendas (i.e., trying to sell more work than is truly needed)
- Understanding: they “get” who you are and what you need
- Honesty: that they are being authentic, open, and transparent
- Reliability: that they will follow through on stated commitments
- Safety: that the consultant can keep confidence so that you would feel safe to speak about what you cannot talk about elsewhere
- Competence: that they actually are expert and experienced in their craft

The consultant-client relationship is an intimate one, and like all intimate relationships, in addition to trust, chemistry is very important. A consultant might pass all the trust tests but fail the chemistry test. And that would be a good reason for not hiring them.

When making referrals, you need to trust your gut. Have a meeting. Maybe two. But if you don’t feel like they get your situation, or you don’t feel comfortable with them – look elsewhere.

Unless you feel absolutely delighted and confident with the first consultant you interview, it’s usually best practice to meet several. Far from being a waste of time, you’ll almost always learn useful things about yourself and the organization, even from the practitioners you don’t engage.

The Proposal

At some point, each of the consultants you are seriously considering should provide you with a written proposal – even for relatively smaller pieces of work. The proposal itself is another opportunity to evaluate the consultant’s general competence and professionalism. You should vet the proposal to see how well they have designed a process that:

- meets your purpose and outcomes
- is efficient and has a scope in keeping with your requested outcomes
- is tailored to your organization’s unique culture and sensitivities
- understands your organizations capacity and limits
- delineates clear services and outcomes being offered
- has a fixed fee or a clear and understandable fee arrangement

Raise any concerns or doubts you have directly with the consultant. Watching how they respond to your concerns is an excellent opportunity to test their character, their skill, and the working potential of your relationship.

You will need to come to a shared agreement on the scope and cost of work. This is an important and nuanced negotiation. Obviously you, the client, want to spend less, as there are usually limited funds or competing needs for resources. You should always feel free to question or push back on proposals. Perhaps the consultant is suggesting a Porsche when you just want a Kia. However, you also need to make sure you don't negotiate so hard that the consultant ends up not being able to deliver the results you want.

It can be difficult to feel 100% confident from even a couple of meetings and reading a proposal. Checking references is advisable, but even less-skilled practitioners usually have a few successes they can point to. The best way to evaluate someone's work is to see them in action. If you are hiring for a major engagement, I recommend that you begin by engaging them for a limited piece of work. This could be an assessment or Phase I of the project. Many consultants will want this as well, since like dating, the chemistry has to work both ways. The consultant should not take offense at your proposing an initial smaller engagement to test the alliance and effectiveness of their work with you.

You should feel *really* good with your consultant. If you continue to have nagging doubts, consider looking further.

Assessment

Diagnostics matter. A wise consultant will not accept an engagement without building in some kind of assessment. Talking to the ED or primary contact within the organization is never sufficient because that person's point of view on reality is always incomplete. The consultant must have direct access to the views of stakeholders other than the person(s) with greatest positional power, as people will typically be guarded in what they do and don't say to their leaders.

Most progressive organizations are highly action-oriented. As a result, they often skip or under-scope the diagnostic phase that consultants rely on to understand the root cause of problems. As a result the consultants may invest time on activities that will not yield the desired results.

Depending on the nature of the work, this assessment phase can be as simple as interviewing a few key stakeholders and/or creating a simple online survey. Clients are sometimes reluctant about paying for assessment, but this is a key part of the engagement process. In addition to helping ground and make the consultant more effective, you will also receive valuable information about your organization and your own leadership.

Positioning the consultant

In addition to chemistry being good between yourself and the consultant, it also has to work between the consultant and staff with whom they have to work. Lack of good rapport with other stakeholders will make the consultant‘s work difficult if not impossible. Some of this has to do with positioning – how the practitioner is introduced to and perceived by staff. This is another purpose of the interviews – a chance for the consultant to create rapport with other key players.

It’s important that the consultant not be viewed as simply an “agent” of the top leader, especially where there are issues of trust at play. People throughout the organization need to believe that the consultant is committed to the success of their mission and is willing, when necessary, to “speak truth to power.”

Managing the consultant

Top organizational leaders are busy. It’s tempting to abdicate too much responsibility to the consultant out of sheer overload. Never forget that this is your organization, and your change process. For all their intelligence and experience, the consultants don’t know as much as you about the organization. Also, when their assignment is done, they leave and you have to live with the outcome. It’s your responsibility (along with whatever staff you empower) to manage the change process. Make sure that key benchmarks are met, and that regular evaluations and course corrections occur. You must also ensure that, well before the end of the engagement, discussions are underway about how to build internal capabilities to sustain the change after the consultant’s work is complete.

Educate yourself about organizational change. Study our paper: *Transforming Organizations: A guide to creating more effective social change organizations*

Be an informed and active partner in leading the change process in your organization.

Managing yourself

In any transformational process within organizations, top leader(s) have to *“Be the change.”* If the consultant is good, they will likely challenge certain aspects of your leadership. They will say the things directly to you that your staff probably says around the water cooler. You <u>really</u> want them to do this. But you may have to deal with your own natural human tendency towards defensiveness. It is your willingness to be vulnerable and commit to your own learning that best inspires others in the organization to engage in their own change process.

You need to be able to trust that your consultant will say what they really think and feel. This is a great gift, because when you’re the top leader in your organization, you can’t count on anyone else doing that. If you react defensively or push back too many times, you may give your consultant the unfortunate message that you’re not willing or able to deal with their honest feedback. This can lead to the consultant starting to hold back their perspectives – in a sense, becoming a dysfunctional part of the system that you’ve asked them to help fix. This would be a real loss to you as leader and to the change process, not to mention a waste of valuable resources.

The power of the consultant/coach relationship is based on radical authenticity and transparency. Not only do you need to be able to trust the consultant’s honesty, but you also need to be fully honest with them. Coaching with your consultant is a rare and valuable opportunity to talk about your insecurities, your frustrations, your pain — all those parts of ourselves that we push aside in order to show up with our staffs as the wise and competent leaders who know what they're doing. This includes your willingness to be direct with the consultant about any concerns you have with them and the work they're doing.

If your consultant is really good, they will encourage, confront, and support you to step into your next level of leadership. You may get uncomfortable. Rise to meet the challenge!

Lastly, while holding the consultant accountable to their deliverables, you also need to hold yourself accountable. A good consultant will usually leave you (or others in your organization) assignments to complete before their next meeting. Prioritize and complete the assignments. If you don't see the value, deal directly with the consultant about this before agreeing. But don't waste your time, the consultant's time, and your money. Make sure you keep your end of the bargain, as you should well be expecting of your consultant.

In Conclusion

Our organizational resources and energy are precious. We need healthy, strong, and effective social change organizations. Don't become part of the 70% statistic of failed organizational change initiatives. Hopefully this paper will help you form better, more effective partnerships with organizational healers – all in service of social and economic justice, human rights, and a sustainable environment.