CSVC
Center for Social Value Creation

ROBERT H. SMITH
SCHOOL OF BUSINESS
AT THE UNIVERSITY OF MARYLAND

Grassroots.org

Grassroots.org Social Venture Consulting Program

2011 – 2012

Consultant Handbook

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Welcome

Thank you for volunteering your time and skills to be a part of the Grassroots.org Social Venture Consulting program. We look forward to working with you this semester on a project that will be both personally and professionally rewarding.

Since 2006, more than 260 full- and part-time MBA and undergraduate students at Smith have assisted nearly 65 nonprofit organizations across the United States in projects meant to increase organizational capacity. Nonprofit clients typically span a range of service areas, including the environment, health, human services, arts and education.

In keeping with the Center for Social Value Creation's mission of developing leaders with the knowledge and skills to use business as a vehicle for social change, each semester's projects are meant to provide you with the opportunity to build new skills in project management and leadership, to apply the principles learned in the classroom through hands-on experiences that will enhance your resume, and to learn more about the ways in which business skills can be applied in the nonprofit sector while making a difference in the community.

Consultant Perspective

"My experience working with Fathers and Families of San Joaquin (FFSJ) was not only critical for building my skills in client management and stakeholder relations, but it was extremely rewarding on a personal level. I was able to learn and believe in FFSJ's mission and feel like I made a sustainable contribution to their long-term endeavors."

–Scott Zakheim, MBA 2010

Behind the Scenes

Through a partnership with Grassroots.org (a nonprofit that provides free web services to other nonprofits), and our nonprofit network, applications are solicited from organizations twice a year. Potential clients are screened by center staff in order to ensure that the proposed projects are adequately scoped and provide sufficient skill-building opportunities for student consultants. Organizations also must demonstrate a level of commitment to the project and a solid understanding of the expectations for the engagement. In other words, we ask that they be committed to providing you with a worthwhile experience—not simply one that will benefit them alone.

Once the projects have been chosen, center staff work with the clients to draft project descriptions, which are then presented to student applicants at a series of informational meetings. Staff also begin collecting background materials on the organization and its programs, so that these can be presented upon successful matching to student teams.

You have been chosen to be a consultant this semester because of your demonstrated interest in and commitment to the program, the client and the project. We believe that your skill sets and experience make you a good match for the project, as well as complement those of your teammates.

Phase one

The Process

There are three phases to the consulting process: information gathering, implementation, and evaluation/review. The entire process is conducted over approximately 60 to 80 hours during the course of the semester. Teams have roughly 14 weeks to complete their projects. The approximate semester dates are as follows:

Fall semester:
First week of September – Early December

Spring Semester:
First week of February – Early May

Phase I: Information Gathering

This phase begins when teams receive their client assignments, and concludes with the approval of the scope document.

During this phase, teams can expect to:

- ❑ Receive a project description and client background materials compiled by center staff
- ❑ Receive a framework and any templates for the specific type of project being completed (ex. fundraising, marketing, database development, etc.)
- ❑ Conduct background research on the client organization, its mission, services, populations served, programs, etc.
- ❑ Conduct an initial meeting (in person or over the phone) with the client to clarify project needs and scope, obtain (or make plans to obtain) any additional information relevant to the project, and set schedule for regular bi-weekly calls
- ❑ Establish a schedule for checking in with center staff every two weeks
- ❑ Draft a scope document that details the project objectives, deliverables, methodology, budget, timeline and responsibilities for each team member (see page 13 for a sample)
- ❑ Share the scope document with center staff and client; make any necessary adjustments and obtain final approval from all parties involved

(See "Formalizing the Agreement," next page, for a sample agenda for going over the draft scope document with your client.)

- ❑ Begin to conduct primary or secondary research necessary to build the foundation for the next phase of the consulting engagement

The Scope Document

Before beginning to draft a scope document, make sure you can answer these questions:

1. Do you understand the client's project or problem?

2. Do you understand why the client wants to undertake the project, and what outcomes the client expects?

3. Do you know what the client expects of you?

4. Have you gathered as much information about the client and its culture as possible?

Tip: Schedule Smart!

Set yourself up for a successful project by keeping your own schedules in mind when building out your project's timeline. Avoid midterms and finals as major deliverable due dates, and try to identify the ebbs and flows of your project (each project is different) so that they best align with your schedule and meet the needs of your client.

Tip: Conference Calls for Free!
Sign up for a free account at www.freeconference.com and you can use this number for all of your client calls. You may reserve the use of a Smith conference room for making your calls by contacting center staff at least a week or two in advance.

Asking the Right Questions
Because this is a true consulting engagement, one of your primary challenges will be in getting at the root cause of the issue or issues faced by your client. It may not always fit the exact project description you're presented with at the outset. Expect some evolution to occur. Be flexible, creative, and politely persistant in asking the right questions to shape your project scope.

Research Aids

Searching for secondary research? There are a number of sources and databases to choose from. Try the UM library databases (academic journals, case studies, etc.—accessible without a log in from any computer on campus), Google Scholar, Google Books, etc. These can help in your literature reviews, benchmarking and finding best practices.

Center staff can help you in developing tools for collecting primary research, including surveys (SurveyMonkey), focus groups, interviews, etc.

5. Have you determined who the client's decision-maker is for the project? (Is it the Executive Director? The marketing staff? The board? In some cases it may be your primary client contact, but in some others it may not.)

6. Have you familiarized the client with your experience/expertise and your typical approach to solving problems?

Helpful Documents

There are numerous documents and online resources that can help you learn more about your client. The following is a partial list of resources and documents you may want to review and/or ask for:

• The organization's website and social media profiles (Facebook, Twitter, etc.)

• Guidestar.org profile

• Annual reports/IRS filings

• Previous or current strategic plans, workplans, and budgets

• Previous or current marketing materials

• Previous or current donor outreach materials

• Any previous survey/focus group/outside consultant data collected by the client

Phase Summary

The first phase is time intensive, but is absolutely essential in laying the groundwork for a successful project. By the end you should have a thorough understanding the client and a solid plan for moving forward.

FORMALIZING THE AGREEMENT 45

Before the meeting

- Review your notes on the company, particularly what the client has said about the project and how it is to be implemented.
- Outline the major points to be included in each section of the proposal.
- Develop an agenda.

During the meeting

- Identify and clarify the nature of the project or problem.
- Identify and confirm what the prospective client thinks a successful project will entail and what it will accomplish.
- Identify the expected deliverables or outcomes and timeline expectations.
- Discuss and confirm the approach or methodology.
- Clarify your responsibilities and resource requirements.
- Clarify the client's responsibilities and resource requirements.
- Discuss reporting requirements and the timeline for project updates.
- Discuss costs and fees, including all resource requirements such as office space, equipment, and/or people.
- For each of the preceding, confirm with the client that what you are including in the proposal meets with the client's approval.
- Ask if there is anything else the client would like you to put in the proposal.

After the meeting

- Submit the proposal.

(courtesy of *Basic Principles of Effective Consulting*)

Phase two

Phase II: Implementation

This phase begins once the scope document is complete, and concludes with the presentation of final deliverables to the client. During this phase, teams will spend a majority of their time on the following tasks:

- ❑ Complete the tasks outlined in the scope document and particular to the chosen methodologies
  - Collecting data
  - Analyzing research
  - Developing strategies
  - Crafting recommendations
  - Building any tools or creating any materials
- ❑ Have bi-weekly calls/meetings with the client to share results and ask questions (minimum—you may need to meet more frequently, depending on project type and client needs)
- ❑ Have bi-weekly calls/meetings with center staff to provide updates on the project and any needs, questions or concerns
- ❑ Submit drafts to client and center staff for review; making any necessary revisions and repeating

Tip: Agendas

Have an agenda for each meeting, whether it's with your teammate, your client, or center staff. Thinking through what you want to cover ahead of time will ensure a more efficient use of everyone's time.

Client Communications

Provide deadlines in communications with your client. Instead of saying "We'd like a copy of your most recent strategic plan," tell them exactly by when you need it: "We need a copy of your most recent strategic plan by September 9." A firm deadline will help with structuring your communications.

At least once during the semester, you should try to meet with your client in person—preferably at their location so that you can get a sense for the day-to-day operations of the organization and witness its programs and services up close.

Is your client out of the area? The consulting program has a small budget to subsidize travel for teams whose clients are out of the DC/MD/VA area. If you are interested in traveling this semester, outline your proposed expenses in the budget section of your scope document, and center staff will work with you to make travel arrangements and reimburse you for your expenses. Also check with your client—many are more than happy to provide accomodations, meals and/or ground transportation once you arrive.

The Written Report

Writing an effective report can be challenging, especially when you have a large amount of data to distill into a succinct, easily digestible format. Here are some common traits of good reports:

Practical and useful - There should be a clear link between the issue/

The Midpoint Review

During weeks six/seven, all teams will have midpoint reviews with center staff. Teams are expected to present an overview of the client and any relevant background information, summarize research findings and initial thoughts on recommendations and strategies, and outline the process and timeline for completing the rest of the project. Teams will have the opportunity to ask questions and gain feedback, address any concerns and provide input and suggestions on the consulting process.

In addition, teams are expected to present initial findings to clients during this week. Use the midpoint review meeting with center staff as a dry run before your client presentation.

Tip: Avoiding mid-project radio silence

Make sure that while you are collecting data and coming up with your initial analyses that you keep your client in the loop. Email status updates at least weekly, so that the client knows you're going in the right direction in your research. This will ensure that everyone's expectations are being met.

problem you set out to solve, and the data/analysis/recommendations you offer. Don't overwhelm the client with extraneous information—focus on a limited number of key points.

Easy to read and understand - Remember who the decision-maker is on your project, and cater your report to him/her. Speak his or her language!

Concise - A 60 to 80 hour consulting engagement does not necessitate a 50-page report!

Supported by solid data - This is why the organization brought you in—to make sound judgments based on data, not wild assumptions. Show them your thought process and how the conclusions you've drawn are supported by your research. Make sure you explain how your recommendations fit contextually for your client—i.e., why are you making these particular recommendations for this client?

Formatting the Report

Typically, the report contains a cover page, executive summary, purpose of study, methodology (with a brief explanation of why you chose those particular methodologies), findings/results (with appropriate analyses), recommendations, a plan for implementation (optional—depending on project type), and a summary conclusion.

This format is for the typical research-analysis-recommendation project; for tips on formatting other types of projects, just ask the center staff and they'll provide you with templates and suggestions that fit your project's needs.

Coaches

Coaches are fellow students who have been through the program and successfully completed a project for a client. They have volunteered their time to guide you through the process as well. Use them! They are a valuable resource. Here are some suggestions for ways in which your team can interact with your coach and benefit from his or her expertise:

- Invite to team meetings
- Ask for advice on interacting with your client
- Involve in the scoping process
- Ask for feedback on drafts of deliverables
- Invite to sit in on client calls

Phase three

Phase III: Evaluation & Review

Consultant teams are expected to make their own arrangements to submit final deliverables to clients and inform center staff of these plans.

Separate from this is an evening presentation and reception at the Smith School. During this presentation, teams have an opportunity to share their learnings with each other, their clients and the greater Smith community, and to recognize their accomplishments as participants in the program. Presentations are brief—no more than five to eight minutes.

Center staff follow up with both consultants and clients at regular intervals after the end of the project to assess impact and gauge satisfaction with the overall program.

You will be asked to fill out several surveys—please do not neglect to respond, as these are an important part of continuing to improve the program and assess the impact it has on the populations we serve.

Tips for Making Effective Research Presentations

- Always remember the overall objective.
- Use the feedback report as a basis for action.
- Be sure every meeting has a purpose and an agenda.
- Make sure key people are at the meeting(s).
- Allow plenty of time.
- Facilitate, don't pontificate.
- Engage the client in both conducting research and taking action.
- Don't get defensive! See challenges to the report as an opportunity to understand the clients' issues and concerns.
- Move to action!
- Always know the next step.

(courtesy of *Basic Principles of Effective Consulting*)

Conclusion

The overall key to a successful project is to remember the basics.

• Make sure you take the time initially to clarify expectations.

• Draft a strong scope document that will serve as the foundation for your project.

• Prepare yourself for each and every meeting with your team and with your client.

• Provide recommendations that will inspire your client to action.

• Build a trusting relationship with your client, and never forget your primary purpose—to help move the organization to a higher level of effectiveness.

And above all, enjoy your work! You are making a great difference, not only for your client, but for the lives of the many people it serves. Be proud of your accomplishments!

FAQs

1. What does a successful project look like?

A successful consulting project has two main components. First, the final deliverables are usable from a client perspective. They are practical recommendations and/or solutions that match the client's capabilities. It's quite common to get so wrapped up in the consulting process that you deliver pie-in-the-sky recommendations that aren't ultimately feasible because of the size and/or resources of the organization. Therefore, it's crucial that you complete your project with these limitations in mind and do your best to ensure that your recommendations will be able to be implemented by the client.

Second, a successful project is a learning process for the consultant. It will have allowed you to build new skills, while also increasing your awareness of your ability to have an impact in the social sector. It will ideally provide you with opportunities to build your professional network, as well as give you examples of hands-on experience that you can confidently bring to any job interview.

2. How do you tell an executive director what to do without telling him/her what to do?

This is a common question. Often an executive director of a nonprofit is so invested in the work that his or her organization is doing that it can be difficult to point out inefficiencies or potential improvements. This is why your input as an outside consultant is so valuable. There are several ways to soften your approach when making recommendations, with the overall key being to demonstrate why certain steps need to be taken to be successful. Benchmarking, for example, is a terrific way to show the client how other organizations have been successful and why they should adopt a similar approach. Also, consider framing your recommendations with relevant literature on what works and doesn't work. The more academic approach helps to provide the structure and context necessary to lend credibility to your suggestions.

3. I'm feeling overwhelmed with the workload between classes, work and my project. What do I do?

If at any time you are having trouble meeting project deadlines, alert the center staff and your teammate(s) immediately. Together, we will assess the problem to determine whether the scope of the project is creeping (at which point we would intercede on your behalf with the client), or whether it can be worked out internally within the team. If this is the case, the team can work together to create a solution by reassigning tasks and re-distributing the workload. Perhaps you can take the lead on extra tasks at a later time in the project. The most important thing is to communicate!

4. Our client has been unresponsive OR Our client is changing the project requirement. What do we do?

Come to the center staff immediately if either of these appears to be an issue. We will step in and remind the client of their time commitments, responsibilities, roles and tasks as outlined in the agreed-upon scope document, and help devise a plan for going forward. Again, the most important thing is to communicate!

Resources

The following are just a few of the many available resources on nonprofit management. Spend some time during your research checking out these links—they are particularly useful in compiling best practices and case studies of successful organizations.

Publications

Beyond Profit
The Chronicle of Philanthropy
Good Magazine
Harvard Business Review
Innovations
McKinsey Quarterly
Nonprofit Quarterly
Nonprofit Times
Stanford Social Innovation Review

Research/Thought Leadership

The Bridgespan Group
www.bridgespan.org
A Bain-affiliated nonprofit consulting firm, The Bridgespan Group serves nonprofit organizations and foundations. In an effort to extend impact beyond their direct clients, Bridgespan is dedicated to sharing what they learn with the broader nonprofit community, to help other organizations pursue their own missions more effectively.

The Taproot Foundation
www.taprootfoundation.org
Taproot works to transform pro bono service into a national platform to leverage top talent in support of communities' greatest needs. Its Web site features a wealth of resources and knowledge related to pro bono consulting.

Changemakers.net
Changemakers is an initiative of Ashoka: Innovators for the Public that focuses on the rapidly growing world of social entrepreneurship. Its mission is to provide inspiration, resources, and opportunities for those interested in social change throughout the world.

Root Cause Institute
www.rootcause.org
Root Cause develops and supports enduring solutions to social problems through strategy consulting, knowledge sharing, and the building of sustainable social enterprises.

The Skoll Foundation
www.skollfoundation.org
Provides support for social entrepreneurs, researchers, and efforts to build the capacity and infrastructure of the social sector. Also maintains the online community SocialEdge (www.socialedge.org) and a comprehensive list of social sector and technology resources related to social entrepreneurship.

Social Enterprise Alliance
www.se-alliance.org
A membership organization for nonprofits and funders seeking to advance earned income strategies. Offers extensive resources, activities and events.

The Institute for Social Entrepreneurs
www.socialent.org
Offers seminars, workshops and consulting services for nonprofits seeking to develop earned income business ventures.

Leader to Leader Institute
www.pfdf.org
Training for leaders in the social sector

The Aspen Institute
www.aspeninstitute.org
International nonprofit dedicated to fostering enlightened leadership and open-minded dialogue through seminars, policy programs, conferences and leadership programs.

Network for Good
www.fundraising123.org
Network for Good's online learning center is a terrific resource for all things fundraising and marketing. Especially great are its articles and tips on integrating social media into a nonprofit's strategy, and best practices in web design and email marketing. It also has free trainings and webinars that you can download or participate in live.

Financing/Supporting For-Profit Social Ventures

Community Development Venture Capital Association (CDVCA)
www.cdvca.org

Investor's Circle
www.investorscircle.net

Pacific Community Ventures
www.pacificcommunityventures.org

Social Venture Network
www.svn.org

Performance Measurement/ Impact Assessment

The Balanced Scorecard Institute
www.balancedscorecard.org

The Research Initiative on Social Enterprise (RISE)
www.riseproject.org

Regional Resources

Many of these have free or low cost training workshops and seminars on a variety of topics.

Maryland Nonprofits
www.marylandnonprofits.org

Center for Nonprofit Advancement
www.nonprofitadvancement.org

Washington Regional Association of Grantmakers
www.washingtongrantmakers.org

The Community Foundation for the National Capital Region
www.cfncr.org

Regional affiliates:
The Community Foundation for Montgomery County
The Prince George's Community Foundation

Funding/Grants

The Foundation Center
www.foundationcenter.org
Many public libraries in the area offer free access to the Foundation Center's database of grantmakers, foundations, and funding opportunities. You may also access the database at the center's headquarters in D.C., along with many free or low cost training courses.

GuideStar
http://www2.guidestar.org
Connects people and organizations with information on the programs and finances of more than 1.8 million IRS-recognized nonprofits.

Other Resources

The Meyer Foundation has compiled a terrific list of resources on nonprofit management. View the entire list at www.meyerfoundation.org/resources/Links+for+Nonprofits

Sample Discovery Questions

As a consultant, it is your responsibility to gather as much information about the organization you're working with as you can, so that you can make insightful and valuable recommendations. These sample questions will provide a useful starting point for developing your list to ask your project contacts in your initial meeting. These questions should provide the structure for an interactive conversation that allows you to build a rapport with your client, clarify what you know about the organization and begin to define the scope of your project.

Organization Background

1. Briefly describe your organization
   a. Mission and vision

2. Discuss your organization's goals
   a. Is your business steady, growing or declining? Why?
   b. What changes are on the horizon?
      i. New products?
      ii. New services?
      iii. Cuts in services/products?

3. What local and national trends do you see that might have a positive or negative effect on the organization?

4. What opportunities or threats do you see?

Program, Services and Products

1. Tell me about your offerings. (programs, services, products, etc.)

2. What makes your organization unique/different among similar organizations?
   a. Products/services
   b. Approach
   c. Reputation/expertise
   d. Efficiencies
   e. Location(s)

3. Tell me about any collaborations you are engaged in to deliver your products or services?
   a. Strategic partnerships?

Customers/Constituents

1. Tell me about the client base your organization primarily serves.
   a. Demographics
   b. Customer loyalty
   c. Growth/attrition

2. How would your organization like to expand or change its constituency?

3. With whom do you compete for customers? With whom do you collaborate?

Financials/Funding

1. Tell me about your organization's financial health/funding.
   a. Funding streams
   b. Projected growth or cuts

2. In what ways do you currently collaborate/compete for funding? Who do you collaborate/compete with?

3. Are there service gaps you should be addressing? If you suddenly gained increased resources, what else could you do?

Marketing

1. Tell me about how you reach your customers, volunteers and donors.
    a. What techniques do you use (traditional channels/online)?
    b. What is your marketing budget?

Personnel/Volunteer Capacity

1. Tell me about your personnel.
    a. Key employees
    b. Strength of management
    c. Benefits to working/ volunteering at your organization