



Girlguiding UK



Value, Risk, Expertise and Empathy
In-house vs outsourcing

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Girlguiding UK worked successfully with Tarnside to raise £ 1.8m to expand their facilities at three centres in the UK.

The decision to outsource rather than overload their in-house fundraising staff with a major campaign has provided an opportunity to assess the comparative benefits of working with a consultant in this situation.

THE GIRLGUIDING UK CAMPAIGN

Girlguiding UK initially employed Tarnside to raise funds for an Adventure House at Waddow Hall in Lancashire. After Tarnside had instigated a review of the project this objective was soon expanded with the revised aim of building three Adventure Houses in three English locations to provide leadership training and social education.

Since there was no desire to expand in-house fundraising, Patrick Boggon of Tarnside Consulting was appointed to work closely with the then Chief Guide. The twin roles of the Chief Guide are to act as both Chairman of the Trustees and the line manager for the 70,000 Volunteer Leaders in the UK.

Having agreed the new strategy for these developments and jointly produced an attractive Case Statement of the cause, Tarnside worked directly with the Chief Guide to identify and recruit individuals who could help in approaches to promising charitable trusts and lottery sources. This led to the 'recruitment' of three major enthusiasts for the cause as well as a number of interested supporters.

Throughout this process and the subsequent preparation and submission of applications for funds, Tarnside were directly involved in all administrative and organisational work.

This involved:

- ◆ Linking and consulting with the lead volunteers for the project
- ◆ Attending and facilitating meetings with staff, prospective donors/supporters and trusts
- ◆ Correspondence with all parties
- ◆ Writing plans and case statement
- ◆ Completion of applications and proposals



All three projects have now come to fruition.

Because the former Chief Guide was so closely involved with this campaign her experiences provide some very useful pointers. This study aims to share these lessons.

All quotations are from the former Chief Guide and subsequent lead volunteer. The body of the article has been written by others.

RECRUITING A CONSULTANT

A not-for-profit organisation which employs no fundraising staff or whose fundraising team needs further support has many important questions to consider before recruiting a consultant:

- ◆ Will the consultant achieve the fundraising target?
- ◆ How much will this cost?
- ◆ How much am I risking and will the involvement prove to be good value?
- ◆ How much effort will be required from me, the client?
- ◆ Will he/she be a safe pair of hands?
- ◆ Will we have a good working relationship?
- ◆ Will he/she be too prescriptive?
- ◆ Does the consultant have a good cultural fit to the organisation?
- ◆ Would I be better employing in-house fundraising staff?

These questions encapsulate four basic considerations, all of which affect the cost effectiveness of employing consultants – value, risk, expertise and empathy.

VALUE

“In using a consultant the client gets a high calibre, top of the profession, equivalent of the head of fundraising in a major charity for a small sum which would only employ an inexperienced fundraiser.”

Bridget Towle, Former Chief Guide



- ◆ This appeal was carried out without the services of in-house fundraising or administrative staff and therefore represents the highest level of involvement provided by Tarnside. Even at this level the final costs of consultancy represented only 6.8% of the appeal total. For organisations which provide in-house administrative or fundraising support, this figure will be considerably reduced. Our experience shows that 2 to 4% of appeal costs is then a reasonable target.

These percentages will be found to compare very favourably with the direct and overhead costs of employing good in-house fundraisers.

- ◆ A conservative estimate of the per annum cost of suitable in-house staff for a fundraising campaign might comprise:

Senior Fundraiser's salary	£40,000
On cost at 20%	£8,000
Secretary/ Administrative Assistant	£20,000
On-cost at 20%	£4,000
Hardware/ office space etc.	£10,000
TOTAL COST PER ANNUM	£82,000

It is widely held that the average in-house fundraiser stays in post for 24 months. The above cost does not allow for the induction and notice periods of changing staff or for recruitment costs.

RISK

“In using a consultant the time scales are flexible for the organisation. Cost can be spread depending on other financial demands and also other priorities.”

Bridget Towle, Former Chief Guide



Employing Tarnside provided Girlguiding UK with a lower risk strategy than employment of in-house staff:

- ◆ As timescales and priorities changed, consultancy time and cost could be flexed in line with demand. At one point circumstances demanded that fundraising be put on hold for a six-month period. This involved no cost to Girlguiding UK, but would have been very different with employees.
- ◆ Consultancy is based on short-term contracts. While it is clearly in the interest of the consultant to achieve a result there is no long-term commitment by the client.
- ◆ Tarnside can demonstrate a record of success in achieving the dreams of their clients.

EXPERTISE

“Major fundraising is more than enthusiasm, it is a professional skill. For instance we were given tactful help in understanding how others see us. This enabled us to explain the special significance of the charity’s work to the outside world.”

Bridget Towle, Former Chief Guide

Importantly, as an outside party to the organisation, the consultant is able to provide an honest and robust review of the project, as well as support for the group, while they examine the key messages of the cause and if necessary the basis of the cause itself. This approach will ensure that there is a strong business case and an inspiring vision for prospective funders.

In Girlguiding UK this testing of the cause led not only to the expansion of the project to three sites but also to an enhanced vision of the potential of the three new developments.



Following the management of this strategic change Tarnside was then able to provide:

- ◆ Knowledge of potential new income streams
- ◆ Wider experience of the requirements of the fundraising market
- ◆ Coaching and mentoring of in-house staff and volunteers including training for the launching of regional appeals
- ◆ Honing of approaches to funders – checking language, emphasis, etc. – giving applications the very best chance of success
- ◆ An independent and gentle impetus behind the appeal

EMPATHY

“The relationship is key. The consultant must be someone to whom you can personally relate. You must feel you are being supported.”

Bridget Towle, Former Chief Guide



This aspect of consultant selection should not be underestimated.

The senior fundraising volunteer in Girlguiding UK placed the consultant’s attitude, appearance and knowledge of the cause on a par with track record and above price as a consideration in the selection process.

The relationship between the consultant and leading staff and volunteers in the organisation must be sound. No campaign is likely to go entirely smoothly. Only by mutual understanding of the aims and process will the campaign survive the frustrations and obstacles which will occasionally arise.

The consultant also plays a crucial role in helping to ensure that there is alignment in the thinking of all the leading participants before any approaches are made to funders. This can only be achieved when he/she has empathy with the cause and with the key personalities.

CONCLUSIONS

There are two clear reasons for employing a consultant to assist with fundraising:

- ◆ Your organisation chooses not to support a fundraising department long-term, or
- ◆ You have in-house or volunteer fundraisers but are planning a campaign which requires a higher level of fundraising support

For the short to medium term need, which many campaigns represent, it makes great financial sense to employ a consultant as a short to medium term solution.

For larger or longer projects, the best annual cost effectiveness may still be achieved with a consultant. Apart from the high financial commitment which salaried employment represents for an organisation, there are the questions of initial availability of suitably experienced fundraisers and of possible replacement costs. These, together with a lack of flexibility, can add up to a prohibitive cost.

Most charities perceive wrongly that there is less risk involved in employing an in-house individual or team. In fact a carefully selected consultant recruited for a specific campaign can offer excellent value with considerably lower financial risk.

To summarise:

- ◆ Recruit your consultant with care
- ◆ Compare the consultant's cost against the true cost of the in-house option
- ◆ Ensure that your contract gives you the flexibility you need to minimise risk
- ◆ Check out the consultant's expertise and experience of the type of campaign you propose
- ◆ Above all, be sure that the consultant truly empathises with your cause and that you can personally get on with him. There may be difficult times ahead and you will need to feel supported

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