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# Purity and Reality: For-Profit Consulting in Volunteerism

By [Susan J. Ellis](#)

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March is Energize's anniversary month. Adding another year is always cause for reflection, particularly as we are beginning our milestone 25th year in business.

From time to time, I find myself facing a degree of suspicion over the fact that Energize is a for-profit company-serving a field in which financial "profit" is never the point. My most recent encounter over this issue followed the World Volunteer Conference in Amsterdam, during which some key IAVE leaders were heard to complain that too many workshops were led by "consultant-types" rather than "true" volunteerism practitioners. Needless to say, this pushed all my buttons, as it implied "using" volunteerism for personal gain.

Apologies to everyone to whom this thought never occurred! Further apologies to anyone who views this "Hot Topic" as a whine. But I wanted to use Energize's anniversary as an opportunity to challenge any thinking that draws lines in the sand between people who are "pure" and "impure."

Debates about purity have been raging for decades. First it was whether "enabling funds" somehow tainted genuine volunteering. Then we disputed academic credit as personal gain for students in community service. Yet another heated discussion continues to be whether paid managers of volunteer services are somehow less worthy than volunteers themselves. The debate in focus here is whether it is somehow self-evident that being a nonprofit organization is more admirable than being a for-profit business.

Let's settle the major issue right now: Anyone can be self-serving and no one accrues "purity" simply by falling into one category rather than another.

## Why Volunteerism Needs Consultants

On the assumption that most volunteerism practitioners agree with this last statement, let's look at why volunteerism needs consultants (as does almost any field):

1. Competent consultants make it their business to keep informed about trends, issues, new ideas, and new resources. This accrual (and analysis) of knowledge would be enormously time consuming for anyone handling a program management job. It is also hard for someone in a specific type of program to get access to the wider world of resources without some effort and cost.
2. Competent consultants are into cross-fertilization. Because they work with many different types of clients, they are able to identify practices that are relevant to many settings-and they are able to translate when they see in one place into the context and vocabulary of a different place.
3. Most organizations do not give themselves enough opportunity to spend time thinking and planning. This is something of a luxury. But, when money is spent on a consultation, the organization justifies the time spent by staff in focusing, discussing, and reaching decisions on that subject. The fee somehow forces everyone to pay attention.
4. With some pre-planning, consultants can be hired on the schedule of the client--available in short bursts of time to meet deadline requirements. One of the reason consultants charge fees is accessibility--if an organization wants a training session on May 6, the consultant doesn't have to request limited leave from a full-time job to be available.
5. Finally, consultants – as outsiders – can ask hard questions and take the risk of challenging the status quo. While this is sometimes thought of as being the "hatchet man," it is more like asking "where are the emperor's clothes?" Asking "why?" is a powerful tool.

For any readers who are considering transitioning into consulting, think about whether these are tasks you want to do.

### **For-Profit vs. Not-for-Profit Consultants**

The field of volunteerism has access to consultants/trainers and other resources in three ways:

- Universities: both through academic centers for nonprofit support and through individual faculty who earn side incomes from private consulting.
- Nonprofit technical assistance organizations, which in our field include Points of Light, National Center for Nonprofit Boards, local volunteer centers, and general nonprofit support groups, among others.
- Private consulting firms (which may be sole practitioners) and publishing houses.

Take a look at the rates for workshops sponsored by universities or the cost of materials produced by some nonprofits, and you'll quickly see that all three categories charge for what they do. You'll also see that high wages for top nonprofit execs as well as dividends to company owners both equate to "personal gain."

The difference is not money or even the excess of revenue over expenses (profit), it's the source of it. Nonprofits have to impress funders and donors; businesses have to prove themselves to consumers. If you are interested in the philosophical reason why I started Energize as a business, go the end of the Web page "[About Us](#)." I am not trying to make a counterargument that for-profits are "better"; I just want to challenge some prejudice.

The prejudice about for-profit vs. not-for-profit has many manifestations. For example, the cost of such things as exhibit booths, ad space, resource materials, organizational memberships, and even conference registrations, is frequently divided into lower nonprofit and higher business rates, even though size or annual budget are much fairer indicators of ability to pay than how an organization is legally incorporated.

One last thought on the question of "consultant-types" at conferences. Most attendees continue to earn their salaries while attending a conference. But when you see consultants at something like the IAVE conference or the ICVA, most have decided to forego paying work for that time, plus pay their own expenses to attend. The professional payback is worth it, but it's not financial.

So do you have any thoughts on this combination of reflection, venting and information? Your comments are welcomed, as always.

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*Posted 5/22/01*

**Submitted by Cyndi Uptegrove, President, KC Enterprises, Washington/USA**

Thank you - you are Right ON - I am a generic non-profit consultant, having put in several years (of my many) as a paid volunteer coordinator, as well as serving as paid staff in many non-profit positions - including Executive Director. There is absolutely nothing wrong with a consultant being paid to manage or to advise on volunteerism - for all the reasons you stated. Never apologize for earning an honest living. Some people are becoming entirely TOO politically correct.

*Posted 3/21/01*

**Submitted by Amy, Portland, Oregon**

For me the issue here is how much are paid consultants making off of non-profits? I don't think it's OK to claim to be a community servant, whether as an employee or as a consultant, if you are living considerably above those you serve. Everyone deserves a living wage, of course, and non-profit employees and consultants should make enough to live enjoyable lives. But I have seen way too many

consultants who live (literally and figuratively) so far away from the paid staff and clients that it is frustrating.

*Response from Susan Ellis:*

As with everything else, Amy, there are two sides to this. First, how do you feel when you learn the salary of, say, the CEO of a hospital or the head of the United Way? Not all nonprofits pay poorly--at least not at the top levels. Second, be careful not to assume that what a consultant charges you can be multiplied into some astronomical annual income. A \$100/hour or \$2000/day fee can rarely be earned 5 days a week, 52 weeks a year. That fee must cover all the expenses of running the consulting firm, plus pay for those "down times" when the consultant is planning, travelling, or following-up other work. Certainly some consultants may overcharge, but it is important not to compare the average hourly wage of a full-time employee to the per-hour fee of a consultant.

*Posted 3/16/01*

***Submitted by Melissa Eystad, President, World Spirit Consulting, Minnesota***

Being a consultant focused on volunteer development and management is not the easiest career path to tread! I suspect that Susan (and the somewhat small, dedicated group of consultants in this niche, including myself) do it because they see the need, have the varied skills that one needs to be effective in this field, and are willing to risk the uncertainty that goes with being "unattached" to any one organization. I totally agree with your comment that when you are a full-time volunteer management professional, you generally do not have the time and resources to keep up with all the latest in the field. Most consultants specialize, meaning you can get expertise in specific need areas at much greater depth and in a shorter timeframe.

*Posted 3/12/01*

***Submitted by Rob Jackson, Volunteer Development Officer, RNIB, London, England***

I have a slightly different take on the issue. I think our field is in a strong position to actively market ourselves as consultants to the for-profit sector. Volunteering is becoming more prevalent as a skills development tool for HR departments of companies. These same departments are also struggling to learn more motivational ways of managing their people in the changing world of work. Those of us in the volunteerism field have the skills and experience business needs to evolve into more socially responsible organisations for the 21st century. However, as long as prejudices abound regarding for-profits then will this opportunity ever get realised?

*Posted 3/12/01*

***Submitted by Vicki Leighty, Leighty Consulting Services, Missouri, USA***

As a consultant/grant writer for nonprofit organizations, I can relate to this issue. I often see my business as operating as a "nonprofit" in the sense that I offer a sliding-scale rate to my clients based on their operating budget. When I started out I was told by other "professionals" that my offering a sliding scale looked "unprofessional" and implied a "lack of confidence in my work." But for me it is a philosophical choice I made since I know that many grassroots social change organizations simply do not have the means to pay \$75-200 per hour for a grant writer. I work with a lot of start-up

organizations with little to zero funds. Attending conferences and events, and purchasing some publications are simply out of range for me, because I do make a comfortable income, but by no means can afford the exorbitant "for profit" fees for these services and materials. So, yes I have felt disappointed by the disparity in rates/fees based on whether one is a "for profit," and have been tempted to raise my rates, but the rewards I get from helping so many good causes and organizations make a difference in the community is such a strong part of my motivation to do this work.

*Posted 3/8/01*

***Submitted by Jayne, Cravens, Bonn, Germany***

Consultants are absolutely necessary to the profession of volunteer management -- or any other field, for that matter, nonprofit or otherwise. IMO, consultants often think "outside of the box" -- I know that's a really cliched term, but it's true, at least for good consultants. They can look at things from a very unique perspective, and present things in a way that I may or may not have thought about before. The volunteer management field most definitely needs consultants. I don't care if they are university-based or running their own business, so long as they are true experts in the field, they are passionate about the subject, and they know things I don't!

I do have a prejudice against some consultants -- those from the corporate world that go into consulting to try to "teach" nonprofits how to manage themselves better. Most of the time, in my experience, they don't understand nonprofits, they don't understand volunteerism, and they don't even try to understand these things. And it particularly irks me when these kinds of "consultants" want to spend an hour or two with me, unpaid, of course, so I will "give them an overview" about these two areas. Argh! As long as a consultant is obviously immersed in the subject they are speaking on, and I'm interested in that subject, I'm going to listen quite happily and earnestly.

*Posted 3/7/01*

***Submitted by Susan Ellis - an addendum to the hot topic***

I just received an "Exhibitor Information and Application Form" for the CIVICUS World Assembly this August. The fee schedule for an exhibit table is shown in Canadian and in US dollars as follows:

1. Nonprofit members of CIVICUS: US\$ 100
2. Civil society organizations, non-profits and artisans: US\$ 250
3. For-profit organizations and corporations, government institutions and CIVICUS corporate members: US\$ 2,000

Note that there is absolutely no additional services or space that this enormously disparate for-profit fee buys. In this case, even government is discriminated against.

*Posted 3/6/01*

***Submitted by Lucia Vaughn, Cause & Events, Massachusetts***

I was pleased to see your comments on non-profit vs. for-profit organizations. I am presently developing a business plan to build a fundraising consultancy. It seems certain to me that the only

difference between non-profit and for-profit, is symantics. In order for any organization to survive and thrive, it is necessary to produce streams of income. Because in non-profit the term is "surplus revenue" does not make the money any more pure, nor any less functional. I agree wholeheartedly with the idea that professional management requires fiscal responsibility to all stakeholders including most especially, our customers. I applaud your willingness to take a stand on this issue and start to possibly change some closed minds as to the true essence of business, be they Non-profit or otherwise.

*Posted 3/6/01*

**Submitted by Reenie Marshall, Volunteerism Development Consultant, Virginia Office of Volunteerism, Virginia USA**

Doesn't it boil down to this question? "What's free?" If a non-profit/NGO is providing low- or no-cost technical assistance and training, its donors are subsidizing the partakers. If a state (or some other government) office of volunteerism is offering the assistance, taxpayers are footing the bill. When a for-profit consultant provides the service, the persons/organizations receiving the assistance pay rather than relying on donors and taxpayers to subsidize professional and organizational development. To take Susan's argument one step further, isn't it time our field reformed and took itself off the dole? We're guilty of the same mythical thinking about the worth of our profession that comes from the belief that because volunteers freely contribute their hearts, hands, brains and mouths they arise and support themselves by spontaneous combustion. If volunteers aren't free and the people who manage volunteer resources aren't free (whether or not they receive a salary), why would we expect--or even want!--our professional development to be free?

*Posted 3/6/01*

**Submitted by Ken Culp, III, Ph.D., University of Kentucky, KY**

I want to respond to your Hot Topic on a variety of levels; as a volunteer administrator, an academician teaching graduate courses in Volunteer Administration, a VA researcher and finally as a relatively new consultant. What a great article! Accurate, pointed, concise and articulate! Extremely well said! I'm going to ask the graduate students enrolled in our Volunteer Administration Academy at the University of Kentucky to access and read it. Our profession needs the input and expertise of a variety of people from all levels of involvement in order to be in the best position to strengthen, grow and develop volunteer administrators, volunteer programs and non-profit organizations. We need to recognize and value divergent thinking, different approaches, evolving philosophies and emerging leaders. This will provide for the greatest possible base and will add strength to our profession. Thanks again for your terrific insight!

*Posted 3/6/01*

**Submitted by Ada Nanning , Hull Child and Family Services**

Profit is not a dirty word, even though many of us operate in a non-profit world, the concept of profit and non-profit sectors have many shades of grey. Many non-profit organizations have created profit centres to keep the "non-profit" portion alive. Without professional volunteer management consultants, the volunteer world would not be where it is today.

*Posted 3/6/01*

***Submitted by Irene Van Dusen, Coordinator of Volunteer Services, Oregon Coast Aquarium, Oregon, USA***

Amen! When I transferred into the nonprofit field from the world of business for profit more years ago than I want to count, I was amazed at what was accepted practice "because we're nonprofit." Good business management was somehow looked upon as suspect and not important to the service mission. Volunteer managers, as a rule, do not have access to multiple volunteer organizations and resources-or the time to research them, if they did. Consultants can glean that information, present it in a timely manner and help us apply the information to our needs. The consultants are contributing greatly to making this a "profession."

*Posted 3/6/01*

***Submitted by Christer Leopold, Senior Officer, Volunteering, International Federation of Red Cross and Red Crescent Societies, Geneva, Switzerland***

Volunteering, like everything else, is more and more depending on knowledge. Any volunteer organisation that wants to have a bigger impact, improve its services and/or have better organised volunteers, needs to access and introduce knowledge on how to do this. There are many ways of doing this. One of the most time and cost effective ways is to use the right consultant. I noticed that in the workshop programme of the World Volunteer Conference in Amsterdam there was less emphasis on organised volunteering and more emphasis on activism and on ideological and political aspects of volunteering. It was more of a manifestation and less of a knowledge sharing exercise. In this way, for me, it was a step back from the previous one in Canada. I think most participants would have profited if there were more workshops led by Susan Ellis and other consultants. The existence of for-profit consultants in the voluntary sector is a sign of development, of maturity. But there are consultants and consultants. As a customer you must chose wisely. A conference workshop is a good testing ground. There you can find out, for instance, if the consultant is firmly rooted in our (non-profit/voluntary) sector or not. If he or she will be useful for your organisation.

*Posted 3/6/01*

***Submitted by Lesley Dunn, Executive Director, Volunteer Resource Centre, Halifax, Nova Scotia Canada***

Revenue generation and sustainability are challenges we all face regardless of our for-profit or not-for-profit status. I will speak only for the Volunteer Centre in Halifax when I say that educational programs and consultation provide a small revenue which enables our other services to exist. At a meeting 12 months ago with representatives from the government, business, not-for-profit and charitable organizations, I was surprised to hear that small business considers charitable organizations that offer programs and workshops a threat. Our goal in Nova Scotia is not to be territorial over program delivery, but ensure that the publics we work with receive the highest quality professional development opportunities available within our province. If the service can be

delivered by us that's great. If we need to refer them to another source that's okay too. Who are the experts? We both are! Together our combined skill build a stronger voluntary sector. The end result is all that matters.

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