Selected Findings

May 2025

GENERATIVE RELATIONSHIPS

Changing Practices and Trends In Philanthropy Consulting and Advising



NATIONAL NETWORK OF CONSULTANTS TO GRANTMAKERS

21/64®

FINDINGS PRESENTED

1. Emerging Trends – What do consultants and funders each thing is important for consultants to be prepared to address
2. Changes in the last four years to consulting and to funder practices during COVID
3. Consulting needs in philanthropy – What funders are using consultants to do
4. Who is being hired and in what circumstances
5. How consultants and advisors make a living
6. Consulting in line with values – consultants using values screen
7. Learning – What do funders and do consultants devote to learning, both time and resources

TRENDS TO PREPARE FOR

All respondents (consultants and donors) were asked:

What do you see as current trends in philanthropy that consultants and advisors need to be prepared to address?

Common/broad themes:

1) T**rust, 2) Transparency, 3) Collaboration, and 3) Equity**

Specific trends cited that overlapped:

- Philanthropic giving (e.g., trust-based philanthropy; funder-grantee relationships);
- Funder engagement with the community;
- Technology and AI;
- Politics and Social Polarization
- Racial justice;
- Generational wealth transfer/family giving dynamics; and
- Climate/Environment.

CHANGES OVER THE PAST FOUR YEARS

Consultants and Donors were asked about how their work changed over the past four years. (Coinciding with the Pandemic)

Areas of Alignment:

1. Shift Toward Trust-Based Philanthropy & Equity-Focused Giving
2. Operational Flexibility & Reduced Grantee Burden
3. Use of Virtual Tools & Remote Work Norms

Tensions & Differences:

1. Equity Commitment vs. Equity Implementation
2. Strategic Intentionality vs. Adaptive Learning
3. Decision-Making Complexity

Insights:

- Strong alignment on broad shifts: trust-based philanthropy, racial equity, general operating support, virtualization.
- Consultants report greater nuance and challenge in sustaining these changes, while donors frame them more optimistically or institutionally.
- Donors emphasize formal policies; consultants emphasize evolving roles and advocacy within relationships.
- Both recognize permanent changes in work modes (virtual, hybrid), but consultants articulate deeper impacts on relationship-building.

WHY FUNDERS HIRED CONSULTANTS

Responses from Donors/Funders

Top 5 Tasks for which Consultants Were Hired		
Facilitation	47%	46
Evaluation	43%	42
Communications & Marketing	41%	40
Equity	41%	40
Executive & Leadership Coaching	40%	39
n=		98

Rationale for Hiring Consultants

- Most donors/funders said they needed outside expertise, knowledge or network (85%).
- Almost half said they engage consultants because they need staff capacity enhancement (48%).
  - 30% say they prefer to outsource responsibilities over hiring permanent staff.
- Consultants are also sought for their 3rd party role; a need for "neutral perspective or assistance" (43%).
- A quarter (26%) say they hire consultants because they need the outside credibility.

WHO IS BEING HIRED

364 CONSULTANT/ADVISOR RESPONDENTS

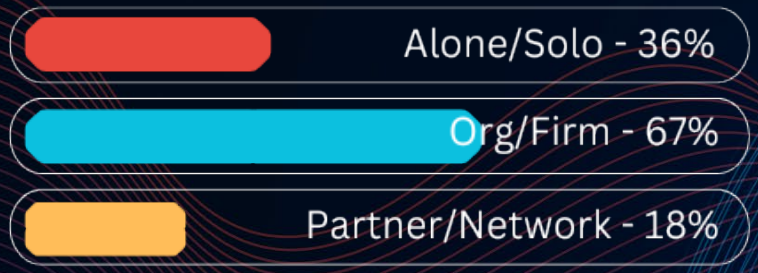
(Responses below are self-identified by Consultants/Advisors as to the role for which they were hired/contracted; role descriptions were provided from which respondent could choose)

- FACILITATION – 52 (14%)
  - 60% GenX
  - Half had >10 years experience
  - 34% identified as BIPOC
  - 36% indicated they work as a sole prop
- EQUITY WORK – 22 (6%)
  - Nearly all were GenX or GenY
  - Only 4 had <4 years experience
  - Half identified as BIPOC
- GRANTS MANAGEMENT – 53 (14%)
  - 75% either GenX or GenY
  - 20% had <4 years experience
  - 22% identified as BIPOC
  - 37% indicated they work as a sole prop
- STRATEGY & PURPOSE – 150 (41%)
  - 18% Boomers, 52% GenX
  - 44% had >10 years experience
  - 22% identified as BIPOC
  - 36% indicated they work as a sole prop

Note: Regarding work structure (sole prop, firm, partner, etc) respondents could choose any that applied. Some consultants above who indicated they work as sole proprietors could also be working with a firm for projects.

HOW CONSULTANTS & ADVISORS MAKE A LIVING

HOW DO THEY WORK?



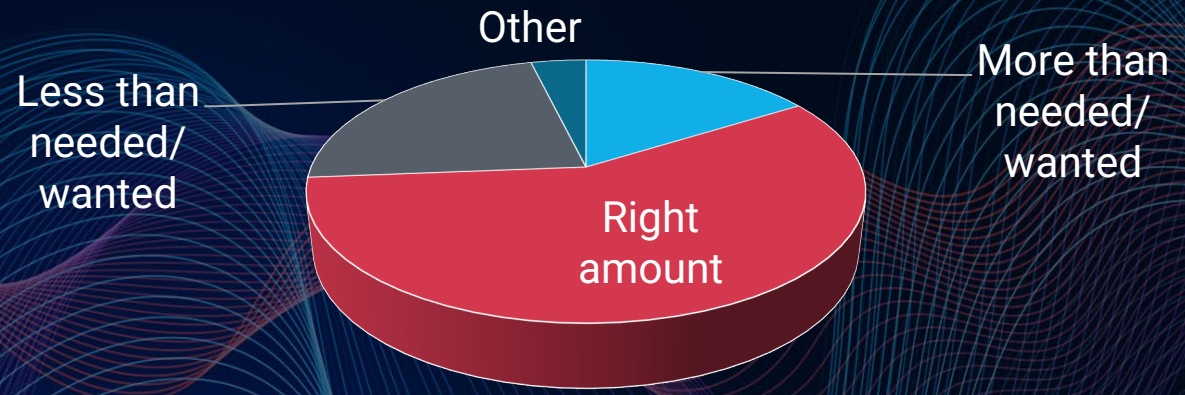
Respondents could check all that applied among 4 options

HOW COMPENSATED?



Respondents could choose up to 3 of 7 choices, these we the top most selected responses

LEVEL OF BUSINESS IN PAST TWO YEARS



ANNUAL INCOME REPORTED



EVALUATING POTENTIAL ENGAGEMENTS

More than 50% of Consultants/Advisors indicated that they are evaluating potential clients based on a set of criteria, both formal and informal.

- Many are citing a need for an alignment on “values” and other topics such as racial equity or political views, e.g, between them and their potential clients
- Many indicated a desire to ensure their skill set/expertise aligned with the needs of the potential client
- Others indicated a clear interest in working with “progressive” funders or funders who were not approaching funding in a traditional manner.
- Long-term commitment from the funder; acknowledging that some issues take time to address, such as equity

LEARNING

CONSULTANTS/ADVISORS

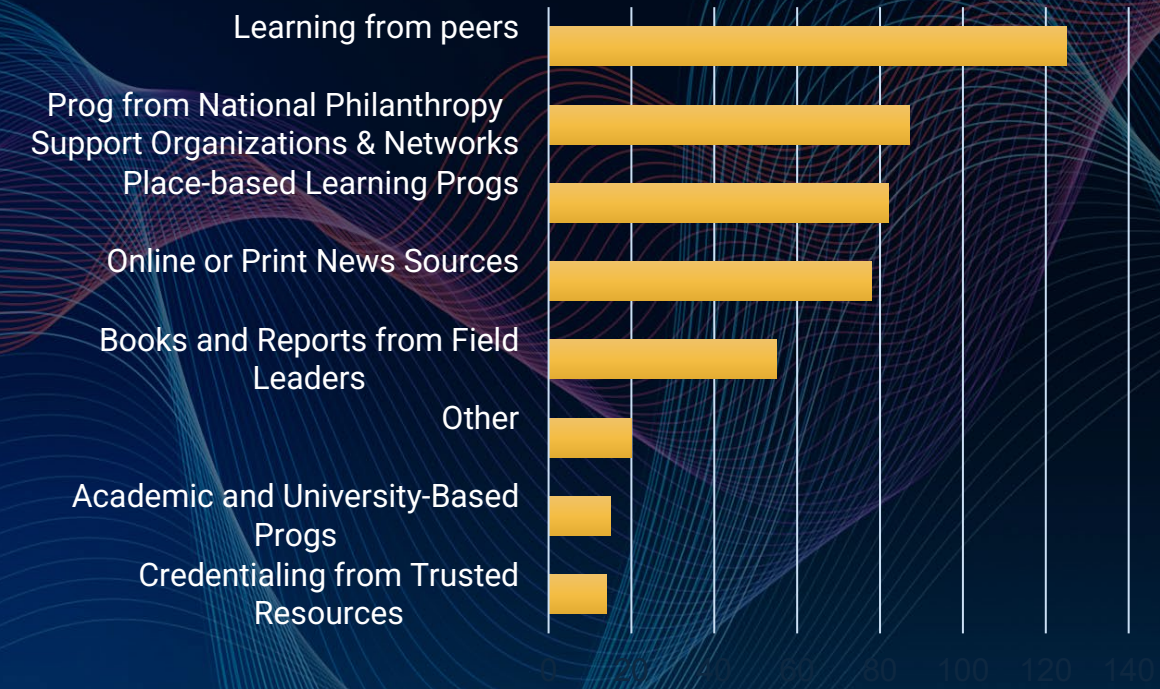
VALUEABLE LEARNING OPPORTUNITIES



Most consultant respondents (70%) spend more than 10 hours per year on professional development, with 45% of all consultant respondents spending more than $2,000 annually on professional development.

DONORS/FUNDERS

VALUABLE LEARNING EXPERIENCES



Most funder respondents (63%) spend more than 10 hours per year on professional development.