



Society for International Development  
Washington Chapter



# FY 2019

## ANNUAL REPORT

Independent Consultants Network (ICN)

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# INDEPENDENT CONSULTANTS NETWORK (ICN)

SID-Washington's Independent Consultants Network (ICN) serves as a networking and information resource and fosters a community of interest of international development professionals who are or who are considering becoming independent consultants.



# LETTER FROM SID-WASHINGTON

## Dear Members of the Independent Consultants Network,

Dear Members of the Independent Consultants Network (ICN),

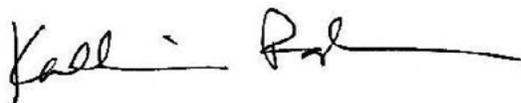
We are happy to report that we had another exciting year! As we reflect on last year, ICN produced several great events, ranging from [Exploring Legal Structures for Independent Consultants](#) to [Discussion on Contracting Options and Foreign Currency Payments for Independent Consultants](#) to [Impact investing trends and opportunities for independent consultants](#).

In the first couple of years since its launch, ICN has continued to build on its mission to create a space for independent consultants in international development grow professionally through new networking opportunities and event formats. We hope to continue explore new event formats over the course of the next fiscal year!

Lastly, we would like to thank the outgoing ICN Co-Chair Elina Sarkisova for her dedication and service to the Network. She helped us put on many fantastic events during her tenure. We wish her the best in her future endeavors.

If you have any questions about ICN, please feel free to send an email to [events@sidw.org](mailto:events@sidw.org). We have several events in the works, including a new series, so please stay tuned for more information throughout the year. Please let us know if you have any questions, and we look forward to seeing you in the near future!

Best regards,



Katherine Raphaelson





**Elina  
Sarkisova**

Senior Manager,  
Resonance

Elina Sarkisova is a Senior Manager on Resonance’s (formerly SSG Advisors) Impact Investing and Innovative Finance team, overseeing the firm’s engagements with corporate, philanthropic and nonprofit clients. She brings over nearly 15 years of experience in international development, and nearly 10 years in innovative finance. Elina is an expert in results-based financing, having been involved in the feasibility, design and structuring of multiple mechanisms over the last decade, including 2 high-profile development impact bonds. Elina’s RBF work spans multiple issue areas, including workforce development, agriculture and forced migration, as well as countries and operating contexts, from middle-income countries to fragile and conflict-affected states.

Prior to joining Resonance, Elina worked as an independent consultant, advising a variety of clients including the Center for Global Development, The Bill and Melinda Gates Foundation, InterAction, CARE and FHI360. Prior to this, she oversaw a \$14M refugee resettlement program in Europe and Central Asia for the U.S. Department of State. She earned a Master of Public Affairs (MPA) from Princeton University’s Woodrow Wilson School of Public and International Affairs, and a Bachelor of Science in Foreign Service (BSFS) from Georgetown University.



**Mike  
Shanley**

Founder and CEO,  
Konektid International

Mike Shanley is the Founder and CEO of Konektid International, an USAID market advisory firm, and has spent more than a decade of his career working in the USAID market both at Chemonics and with Konektid. At Chemonics he worked on proposal development and USAID partnering activities across five continents, including helping organizations new to USAID navigate the partnering process. In 2013, he left Chemonics to found Konektid, a US small business with the mission of making it easier for new partners to enter the USAID market. He has spent the last five years running Konektid and making it easier for organizations from around the globe to work with USAID.

## EVENTS CALENDAR

**Thursday, October 4, 2018**

3:00PM - 5:00PM | SID-Washington

Exploring Legal Structures for Independent Consultants

**Thursday, November 8, 2018**

12:00PM | Soi 38, Washington, DC

Independent Consultants Network (ICN) Lunch

**Tuesday, February 5, 2019**

3:00PM - 5:00PM | SID-Washington

Discussion on Contracting Options and Foreign  
Currency Payments for Independent Consultants

**Thursday, May 16, 2019**

5:30PM-7:00PM | Ankara

Independent Consultants Network (ICN) Happy Hour

**Wednesday, June 12, 2019**

3:30PM - 5:00PM | SID-Washington

Impact Investing Trends and Opportunities for  
Independent Consultants



## Exploring Legal Structures for Independent Consultants

Moderator: **Elina Sarkisova**, Consultant, Independent

Speakers: **Chaney Hall**, Attorney, FoxRothschild LLP  
**Daniel Head**, Co-Founder, KeyLime International  
**Liz McGuinness**, President, LMG Consulting LLC  
**Donald Williamson**, CPA, LaMonaca & Williamson

**Event Description:** As an independent consultant, you have many options available to you in terms of how you operate your business, including sole proprietor, LLC, S-Corp, among others. These different legal structures can have important implications in terms of your tax liability, the cost and feasibility of setting up and operating your business, hiring staff/pursuing partnerships, and the types of tender opportunities available to you as a result of your business status. Navigating the different options can feel daunting, not to mention time-consuming. This event was joined by a distinguished panel of attorneys, business development specialists/mentors, hiring firms and fellow consultants.

### Key Takeaways

#### 1) Be Intentional When Determining Your Business Structure

**Chaney Hall (FoxRothschildLLP)** specializes in corporate litigation. Chaney stated that there are many choices of what entity you might want when starting a business and that choice will affect its life-cycle. Chaney discussed common types of business entities, starting from simple to complex. For example, a sole proprietor is the simplest because it requires little to no filing with the state and 100% of the profits from the company goes to the sole proprietor. On the other hand, a corporation is the most complex because it requires a board of directors, management team, proper paperwork with the state, liability protection to owners and management and much more. Chaney also discussed the life-cycle of a company, from formation, management of day-to-day operations, to dissolution or sale. Chaney emphasized that at the beginning of creating an entity, it is crucial to think about the dissolution or sale of your company. Do you have a business partner that might want to sell in the future? Do you want to keep the business forever? Etc.

#### 2) Diligent Record-Keeping Will Make For More Accountable Book-Keeping

**Donald Williamson (LaMonaca & Williamson)** discussed taxation on various structures. Donald went into depth about tax forms, taxable incomes, tax-shelters, deductibles and more. One of the biggest tips Donald gave the audience was to have a separate book of records to keep track of what you are making. He stressed that you must keep good, careful books and records with a separate bank account so that you don't run into trouble down the line. For example, if you decide to become a sole proprietor, you should keep track of the "who, what, when, where, and why," even when just having a business expensed meal. If you write

everything down on the receipt and keep track of it, you will always be accountable.

#### 3) Ensure Protection and Consider Liability Insurance

**Liz McGuinness**, Founder and President of LMG Consulting LLC, opted to go for an LLC because she was wary about partnerships and thought that being a sole proprietor would be easier. Liz seconded Donald's approach for diligent record keeping, noting her use of two separate credit cards as a method for keeping track of expenses. Liz also told the audience that she purchased insurance and has both a business owners policy and professional liability. She encouraged having a policy in case a computer is damaged or stolen, if data is lost, or if business equipment is damaged. Similarly, Liz noted that you should consider professional liability in case of the highly unlikely event that someone sues.

#### 4) Consider the Benefits, and the Company's Life-Cycle

**Daniel Head (KeyLime International)** also decided to go the LLC route in the beginning for various reasons including; an official email address, the potential of having a website, good future expansion abilities, legitimacy, credibility in negotiating rate, and tax benefits. Daniel found a partner and in 8 months they sought to expand, hire new people, and become an S-Corporation. Daniel also referenced the company's life-cycle, mentioning that he and his partner thought about the company's life-cycle and decided to become an S-Corp because it gave them more flexibility down the line.

# Discussion on Contracting Options and Foreign Currency Payments for Independent Consultants

Moderator: **Mike Shanley**, Founder and CEO, Konektid International

Speakers: **James Legerme**, Senior Recruitment Manager, Chemonics International  
**Yen Lim**, Senior Contract Officer, Amref Health Africa  
**James Nance**, Washington D.C, Manager, AFEX  
**Kelly Ryan**, Human Resources Business Partner, Choice Hotels International

**Event Description:** Following up on our last event focused on independent consultant options for different legal structures, our next event will discuss various contracting and payment options you can consider for working with your clients. Whether you are a sole proprietor, LLC, or S-Corp, you will also have to decide which type of contracting mechanism makes sense for each engagement: time and materials; fixed price; cost plus fixed fee. We will discuss these various mechanisms and which types of engagements they can be a good fit for. In addition, if you are working with a client that pays in a currency other than US dollars, we will discuss options for saving on exchange rates and fees, and reducing the time you spend with your bank and client trying to get your payments. We want you to spend less time dealing with the administrative side of consulting and more time doing the work you love!

## Key Takeaways

### 1) Always look at wire fees and rates of exchange or go through an international payment specialist that have your best interest in mind

**James Nance (AFEX)** stressed the importance of constantly checking rates of exchange values. If possible, go through an international payment specialist who can help you walk through the steps of fees, processing times, and fee fluctuation to maximize profit. These specialists have competitive markup rates compared to banks and are able to hold payments indefinitely.

### 2) Don't underestimate the power of LinkedIn

Although at first glance it may seem ineffective, **James Legerme (Chemonics International)** encouraged contractors to be active on LinkedIn. It is an important tool to see where previous consultants have worked and hear about networking and NGO conference opportunities. Reach out to specific prime contractors or recruiters in an organization to network with, especially if it is in a region of interest. If you are interested in a certain organization, mimic their LinkedIn postings to increase the likelihood of being discovered.

### 3) Stay up-to-date with payment confirmations and be organized and transparent with your records

**Yen Lim (Amref Health Africa)** urged to update and keep records of all fees, receipts, payment confirmations, and transactions with a spreadsheet. Contractors should make it as easy as possible for prime contractors and organizations to arrange transactions. It is also crucial to include a clear history with dates and supporting documents (such as reference checks) as justifi-

cation for your rates.

### 4) When applying for positions, play up your areas of expertise and only focus on prior work experience.

Contracting in international development can be very competitive. To increase your attractiveness to potential employers and organizations, **Kelly Ryan (Choice Hotels International)** suggested to capitalize on your areas or regions of niche expertise. Additionally, organizations and prime contractors prefer a detailed focus on relevant work experience for your CV as opposed to a broad scope of all your experience as that is what they will focus on.

### 5) Get exposure however you can

Don't be discouraged if you feel you don't have enough experience to enter a certain field. Lim suggested contractors to consider volunteer assignments online courses to reflect as relevant experience. Moreover, above all, Ryan stressed to be your own advocate and not be afraid to ask questions about proposals and projects of your interest.

# Impact Investing Trends and Opportunities for Independent Consultants

Speakers: **Kat Cooley**, Program Manager, Palladium  
**Kirsten Pfeiffer**, Senior Global Specialist, DAI  
**Joanne Sonenshine**, Founder and CEO, Connective Impact  
**Danielle Sweeney**, Manager, Dalberg Advisors

**Event Description:** Impact investing, or investing with the intention to generate positive, measurable social and environmental impact alongside a financial return, is an exciting and rapidly growing industry with USD 228 billion in assets under management in 2018. However, it is a diverse and dynamic market that includes both traditional and non-traditional actors, each with their unique priorities and needs. Who are the main players driving this space? What are the latest trends? And what are the opportunities for independent consultants to engage? The Independent Consultants Network (ICN) and the Women Impact Investing Network (WIIN) are pleased to present a panel on how organizations incorporate consultants into their initiatives as well as how management consulting firms are responding to the changing needs of the growing impact investing and international development space.

## Key Takeaways

### 1) Impact Matters; Moving Beyond the Finances

**Joanne Sonenshine (Connective Impact)** opened the discussion by clarifying what impact investing is and gave a brief overview of its upward trend in international development today. Impact Investing means thinking through what the return on investment should be, and to see it as more than just a financial return; that one utilizes different forms of engagement and works with organizations to make sure that there is a local impact beyond the finances. Sonenshine also touched on the changing nature of public funding in terms of donors and stakeholders who want to have leverage and return on investment, which is something that philanthropic engagement does not necessitate.

Right now, every single type of traditional international development companies, nonprofits and governments alike, are coming up with their own methods to approach impact investment. But, how should consultants think about it? It cannot simply be about mobilizing investment, but rather demonstrating the impact of the investment, whilst attaining financial benefits and ensuring sustainability.

### 2) The Intermediary Role of Consultants

In discussing their jobs, respective roles, and the parts they play in the impact investing sphere, speakers **Kirsten Pfeiffer (DAI)** and **Kat Cooley (Palladium)** touched on a few ways consultants are already getting involved in impact investing:

- Transaction Advisory
- Market Assessments
- Managing donor funds
- Local engagement
- Leveraging the private sector
- Developing ways to capture the basic metrics of an

### impact investment

According to Pfeiffer, in terms of trends, the supply side of the impact investment chain is saturated, however the demand side is lacking the commercial attractiveness needed to jump from small to long term deals, and strong and sustainable impact investments. However, Pfeiffer stated that this is where consultants play a role, by ensuring that the same amount of mitigation devoted to the supply side is given to the demand side as well. She also recommended picking and researching a particular geographical region so one can bring concrete and anecdotal evidence to the implementation table.

Cooley also recommended working with organizations to develop their pipeline in an innovative and cost effective way by first finding their weak spots, which might not always derive from financial matters, but could be anything; from who handles the money in the household, to opening a savings account. Recognizing and mitigating these challenges will help increase the competitiveness and attractiveness of the demand side.

### 3) Using Comprehensive Metrics

In response to a question posed concerning impact investing metrics, namely, how one measures the impact of a donor's investment, **Danielle Sweeney (Dalberg Advisors)** proposed the Social Progress Index, which is a benchmark against the Sustainable Development Goals and requires that at least 30% of an organizations portfolio plan is working towards the SGDs. Additionally, based on growing interest towards gender-based investment and documented impact, compounding effect and ROI from women run organizations metrics should also have a measurement of the level of involvement women have

women. Sweeney further touched on the importance of on-the-ground, comprehensive metrics. They can be achieved through interviewing stakeholders and are focused on what the organization wants to get out of their project, and not just the supply side donor end which sometimes looks to build certain local capacities without engaging properly on the local levels.

All speakers generally agreed that a set of metrics that are applicable on many levels of organization-donor engagement is possible given the amount of impact investment projects in the works whose metrics can be analyzed and consolidated. This is necessary because completely working from one end of the organization-donor scale can get one trapped in very particular metrics that do not engage both sides adequately. Some possible consolidated metrics that all speakers touched upon included:

- Jobs
- Localized Involvement
- Firm Level

- Supply Chain
- Number of Clients

#### **4) Adopting an Eventual Exit Strategy**

Impact investing's goal is the long-term sustainability and viability of the demand side of the chain. To emphasize this point, Kirsten Pfeiffer spoke on the importance of both time frames and detachment. Impact investment projects, once off the ground, are being challenged to quickly engage in a co-creation series with local stakeholders in which donors can play less of a role as time goes on. Given that many funded projects have a short time frame, it is becoming increasingly important to ensure that there is risk sharing, as well as capacity building, so that local small and medium sized enterprises have a greater incentive to reach their target indicators and that investors do not create a dependency. Pfeiffer also mentioned that although a failing business or organization is not the goal, some businesses, if not able to act without complete donor dependency, must be allowed to fail until there is a clear sustainable business plan in play.





**For more information, contact us at [events@sidw.org](mailto:events@sidw.org).**

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