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Affordable Housing Compliance Consultant vs. Hiring Another Employee: Which Is Better?

A practical decision guide for affordable housing owners and management companies

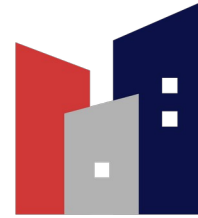


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When compliance workload starts outgrowing the team, leadership usually faces the same question: should we hire another full-time employee, or bring in an affordable housing compliance consultant? The right answer depends on whether the need is permanent, specialized, urgent, variable - or some combination of all four.

THE SHORT ANSWER

A strong permanent employee is often the better choice for predictable, year-round workload and institutional continuity. A consultant is often the better choice when the organization needs immediate capacity, specialized expertise, backlog recovery, independent quality control, or support that can expand and contract with the workload. Many high-performing organizations use both.



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Why This Decision Matters More in Affordable Housing

Affordable housing compliance is not ordinary administrative work. A compliance professional may be responsible for interpreting program rules, reviewing household income and assets, analyzing EIV information, processing annual and interim recertifications, reviewing applicant files, calculating rent, monitoring verification, preparing for MORs, tracking regulatory deadlines, and working across HUD, LIHTC, HOME, RAD, PBV, public housing, or layered programs.

HUD's Management and Occupancy Review process examines management practices, staffing, rent and income determinations, tenant-file documentation, EIV, and other compliance functions. Meanwhile, HOTMA continues to change income, asset, and certification procedures, with HUD Multifamily's current mandatory full-compliance date for Sections 102 and 104 set for January 1, 2027. The compliance function therefore needs both capacity and technical accuracy.

Option 1: Hiring a Full-Time Compliance Employee

Where a permanent employee can be the better investment

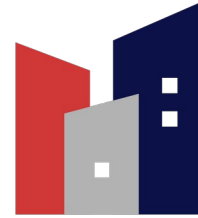
- The organization has enough predictable compliance work to support a full-time role throughout the year.
- The position requires daily integration with property managers, regional leadership, accounting, leasing, and resident services.
- Leadership wants to build institutional knowledge and retain expertise inside the organization.
- The portfolio is stable enough that the employee's workload will remain consistent.
- The organization has the management capacity to recruit, onboard, train, supervise, and retain the position.

A strong employee learns the company's software, culture, ownership expectations, recurring portfolio issues, state-agency practices, and internal communication style. Over time, that institutional knowledge can be extremely valuable.

The hidden cost of 'just hiring one more person'

Salary is only one component of the decision. Employers may also absorb payroll taxes, benefits, paid time off, recruiting expenses, background screening, equipment, software access, training, supervision, continuing education, turnover risk, and the cost of the time between posting the job and reaching full productivity.

The bigger issue is capacity risk. If the portfolio suddenly acquires 400 late recertifications, prepares for multiple MORs, takes over a troubled property, or loses two experienced team members at once, one additional employee may still be insufficient. Conversely, if the surge disappears six months later, the organization may be carrying more permanent payroll than the workload requires.



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Option 2: Using an Affordable Housing Compliance Consultant

Where consulting support is strongest

- A backlog needs to be reduced quickly.
- A property takeover creates an immediate file-review or recertification burden.
- An MOR, state monitoring review, investor review, or internal audit is approaching.
- The portfolio needs technical expertise that the current team does not possess.
- The organization needs temporary coverage during vacancies, leave, turnover, or recruiting.
- Leadership wants an independent second set of eyes on compliance quality.
- Workload rises and falls too much to justify the same permanent headcount year-round.
- A layered property requires expertise across multiple housing programs.

A consultant is essentially variable capacity. The organization can bring in specialized resources for a defined project, deadline, property, or period and then reduce that capacity when the project ends.

The Cost Comparison Is Not Simply Hourly Rate vs. Salary

Consulting rates can appear higher than an employee's hourly wage when viewed in isolation. That comparison is incomplete. A better analysis compares the total cost of obtaining the required result.

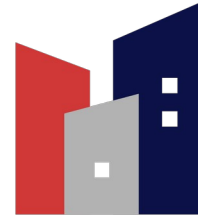
For an employee, calculate salary plus employer payroll costs, benefits, recruiting, onboarding, training, paid nonproductive time, equipment, software, supervision, turnover exposure, and the cost of an unfilled position. For a consultant, calculate professional fees, travel when applicable, onboarding/access time, and any internal coordination required.

Then compare both options against the business problem: How quickly must the work be completed? How specialized is it? How long will the need last? What happens financially or operationally if the work remains unfinished?

Speed: Consultant Advantage for Urgent Problems

Hiring is a process. Recruiting, interviewing, reference checks, offers, notice periods, onboarding, software training, and program training can take time. That may be perfectly reasonable for a long-term staffing strategy, but it does not solve a crisis that exists today.

If 100 recertifications are already late, an MOR is approaching, or a newly acquired portfolio has hundreds of files requiring review, the organization may need additional production capacity before a permanent hire could realistically be fully productive.



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Institutional Knowledge: Employee Advantage

For long-term continuity, a well-trained employee has a major advantage. The employee is embedded in the organization, sees recurring issues, develops relationships with site teams, and can help strengthen the compliance culture over time.

This is one reason HCA does not view consultants and employees as competing solutions in every situation. Consultants can stabilize the workload, correct a problem, build systems, and train internal staff while the organization develops or strengthens its permanent compliance department.

Specialization: Consultant Advantage

Affordable housing is increasingly specialized. A company may have excellent LIHTC staff but suddenly acquire a HUD Section 8 portfolio. Another may understand HUD but need HOME layering expertise. A third may need a specialist specifically for EIV, MOR preparation, HOTMA implementation, tenant-file auditing, or a major recertification backlog.

Hiring a permanent employee for every technical specialty is not practical for many organizations. Consulting allows leadership to purchase the expertise needed for the specific problem.

Control and Availability: Employee Advantage

An employee is part of the company's daily operating structure. Leadership controls the employee's priorities, schedule, training, and allocation of time within the boundaries of employment law and company policy. A consultant works according to the contracted scope, deliverables, availability, and agreed project structure.

If leadership needs one person continuously available for internal meetings, routine questions, daily approvals, and long-term portfolio ownership, a permanent employee may be the better fit.

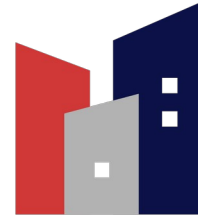
Scalability: Consultant Advantage

One of the hardest compliance challenges is that workload is rarely perfectly level. Acquisitions, lease-ups, staff resignations, audits, recertification cycles, policy changes, corrective actions, and portfolio transitions can create sudden spikes.

Consulting support can be scaled around those spikes. Instead of asking two employees to absorb the work of five, leadership can temporarily add capacity and then reduce it once the portfolio stabilizes.

Independent Quality Control: Consultant Advantage

Internal teams can become accustomed to their own processes. An outside reviewer may identify recurring documentation weaknesses, inconsistent interpretations, missing verification, software practices, or policy gaps that have become normalized internally.



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This can be especially valuable before an MOR or monitoring review, after a failed audit, during a management-company transition, or when leadership wants objective information about portfolio-wide compliance.

Culture and Team Development: Employee Advantage

Permanent staff play an important role in creating a healthy compliance culture. They can coach site employees, participate in leadership meetings, recognize recurring training needs, and reinforce expectations every day.

A consultant can train and support that culture, but should not automatically replace the organization's responsibility to develop knowledgeable internal leadership.

When Hiring Another Employee Is Probably Better

- The workload is permanent and predictable.
- You need daily internal ownership of the compliance function.
- You have enough volume to keep the position productive year-round.
- You have time to recruit and properly train the right person.
- The role depends heavily on long-term institutional knowledge and internal relationships.
- You are building a permanent compliance department rather than responding to a temporary surge.

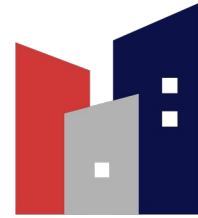
When a Compliance Consultant Is Probably Better

- You need help now, not several months from now.
- Your team is already overloaded or at risk of burnout.
- You have a defined backlog, audit, acquisition, lease-up, MOR, or corrective-action project.
- You need specialized HUD, LIHTC, HOME, RAD, PBV, EIV, HOTMA, or layered-program expertise.
- The workload is temporary or unpredictable.
- You want independent file review or quality assurance.
- You are recruiting permanent staff but cannot allow compliance work to stop while the position is vacant.

The Hybrid Model: Often the Strongest Answer

For many affordable housing organizations, the best answer is not consultant or employee. It is consultant plus employee.

A permanent compliance team provides continuity, ownership, culture, and institutional knowledge. Outside specialists provide surge capacity, technical depth, independent review, and project-based support. Used correctly, the consultant protects the internal team instead of replacing it.



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A practical hybrid example

Imagine a management company with a capable compliance director and two specialists. The company acquires a portfolio containing hundreds of overdue recertifications. Hiring one additional employee may be part of the long-term plan, but that person cannot erase the inherited backlog immediately.

The company can keep its internal team focused on current certifications, policy decisions, and portfolio oversight while a temporary consulting team works the inherited backlog. Once the backlog is stabilized, the external team scales down and the permanent staff maintain the corrected workflow.

Seven Questions to Ask Before You Decide

1. Is the workload permanent, temporary, or seasonal?
2. How quickly do we need additional capacity?
3. Does the work require specialized program expertise?
4. How much management time can we devote to recruiting and onboarding?
5. What is the total cost of each option - not merely salary or hourly rate?
6. What is the financial and compliance risk of leaving the work unfinished?
7. Would a hybrid approach solve the immediate problem while strengthening the long-term team?

Do Not Make the Decision Based on Price Alone

The cheapest option on paper can become the most expensive option if files remain incomplete, staff resign from burnout, subsidy is delayed, certifications require rework, or an avoidable compliance problem grows into a larger corrective-action project.

Likewise, consulting is not automatically the right answer. If a company has a stable, permanent workload and continually uses outside support for work that should be an internal core function, leadership should evaluate whether permanent staffing would provide better long-term value.

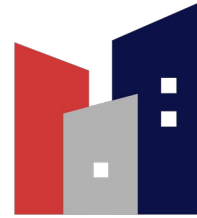
The objective is to match the staffing model to the actual business problem.

How Housing Consultants of America Supports the Hybrid Model

Housing Consultants of America provides temporary occupancy and compliance staffing, recertification backlog recovery, 100% HUD and LIHTC file audits, third-party compliance support, MOR preparation, HOTMA support, EIV compliance assistance, training, and project-based affordable housing consulting.

HCA can support organizations during staffing vacancies, acquisitions, portfolio transitions, large backlogs, lease-ups, audit preparation, and periods of unusually high compliance volume. Our role is to add capacity and expertise where the client needs it - while allowing the client's permanent staff to remain focused on residents, current deadlines, and long-term operations.

The best staffing decision is the one that leaves your organization stronger after the immediate problem is solved.



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Bottom Line

Hire an employee when you need permanent capacity, internal ownership, and long-term continuity. Use a consultant when you need speed, specialized expertise, scalability, independent review, or temporary capacity. Use both when you need to solve today's compliance problem without sacrificing tomorrow's internal team.

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Affordable Housing Compliance • Temporary Staffing • File Audits • Backlog Recovery • MOR Preparation

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