

Narrowing the Nonprofit Talent Gap

AmEx and other corporations are launching programs to help not-for-profits get great leaders



By Alison Damast

Nothing about the executive dining room at American Express, on the 50th floor at the company's downtown Manhattan headquarters, suggests not-for-profit. But on a recent afternoon, 24 employees of nonprofits sank into oversized dinner chairs, listening to AmEx Chief Executive Kenneth I. Chenault. "You can learn a great deal about leadership if you take it as seriously as other disciplines," Chenault said. "Most people don't."

The visitors, handpicked by their bosses, made up the first class of a weeklong "Nonprofit Leadership Academy." AmEx, like most big companies,

has long supported nonprofits with donations. Its new program is part of a growing effort to address one of the nonprofit world's acute problems—the lack of well-trained managers.

Others are doing it, too. On Aug. 1, IBM announced a collaboration with Bridgespan Group, a consultancy for nonprofits, to help employees facing retirement transition into nonprofit work. Bank of America has a training program for nonprofit executives, and the Gap Foundation has one in the works. The goal, says Chenault, is to have everyone "leverage our existing tools to make a major impact in the nonprofit world."

The management ranks at nonprof-

its are perilously thin. Low pay, long hours, and incessant fund-raising dissuade many from entering the field. Those who do join are often drawn more to the cause than the potential for promotion. Only one in three nonprofit workers aspires to be an executive director, according to the Meyer Foundation, which gives grants and tries to strengthen nonprofits. And the need for talent is getting more urgent: A separate study by Meyer and CompassPoint Nonprofit Service found that three-quarters of nonprofit executive directors plan to leave their jobs by 2011. Bridgespan estimates that more than 640,000 new senior managers will be needed by 2016.

TRANSFERABLE SKILLS

Even modest initiatives such as the AmEx program can help. In between pep talks from New York City Mayor Michael Bloomberg, Chenault, and other top AmEx executives, the trainees completed a battery of leadership evaluations, personality tests, and coaching sessions. The payoff was clear to Carlos Galindo-Elvira, 41, director of philanthropic and community relations at Valle del Sol, a social services provider in Phoenix. He met for several hours with an executive coach who encouraged him to stop micromanaging projects. "The academy helped

AmEx's Chenault wants to spur others to make an "impact in the nonprofit world"

me to realize that it's O.K. not to have your hands in everything," Galindo-Elvira says.

For the 24 graduates, leadership training is already yielding benefits—and the lessons are not the same for everyone. Emily Holland of the International Rescue Committee, which gives aid to refugees, says the advice from Chenault & Co. helped her become more detail-oriented and efficient at work, which includes blogging from hot spots such as Liberia. She also received creative input on her work projects from other trainees, who plan to keep in touch through Facebook. She came away feeling something firmly associated with the private sector: ambition. "I'm ecstatic about the things I'm doing well," says Holland, "and I'm hungry to tackle the things I'm not."