Center for Creative Leadership®

American Express Leadership Academy

A Decade of Building Nonprofit Leaders

November 2018

Report Overview

The Center for Creative Leadership's partnership with American Express on the American Express Leadership Academy (AELA) began in 2008. The leadership academy provides an immersive week-long training in personal and professional development to the next generation of nonprofit leaders. The cohort-based experience is designed to address the growing leadership gap within the nonprofit sector. To date, CCL and American Express have collaborated to provide this program to nearly 1,000 leaders.

We conducted this archival data review and alumni survey to commemorate ten years of working together to provide a nonprofit leadership development experience and to understand the experiences of participants after they complete the program. This document serves as a summary of our findings from ten years of Academy participants. We explore not only program impact, but what our long-term engagement with leaders in the program has taught us about the nonprofit sector more broadly. We intertwine those two aims by exploring the following three key questions:

- **How did participants' experiences in the American Express Leadership Academy equip them to lead in the nonprofit sector?**

- **What are the key leadership challenges facing nonprofit leaders today?**

- **What have we learned from our decade of partnership with nonprofit leaders and American Express?**

Key Elements of the AELA Experience

Who: Emerging leaders in the United States who are dedicated and poised to be at the helm of the nonprofit sector (~80/year).

What: A week-long program building in assessments, experiential activities, peer-networking, and guest speakers.

After: Follow-up support through online networking tools, telephone executive coaching sessions, access to Developmental Fund.

Our Study and Alumni Survey Sample

Alumni Response Rate

The American Express Leadership Academy with the Center for Creative Leadership has graduated a total of 853 individuals between Spring of 2008 and Spring of 2017. We were able to locate 755 alumni (89%). Of this population, 346 Leadership Academy graduates responded to the online survey, 324 fully completed the entire survey, representing a 46% response rate. Respondents per cohort are displayed below.

AELA Session	Spring	Fall
2008	3	
2009	9	5
2010	17	8
2011	13	14
2012	14	20
2013	9	16
2014	15	27
2015	25	31
2016	28	25
2017	42	
Total	324	

Our alumni survey sample consisted of 346 alumni respondents across the last ten cohorts.

35% have been at their organization for 10 years or more; 42% for 4-10 years; and 23% for 3 years or less.
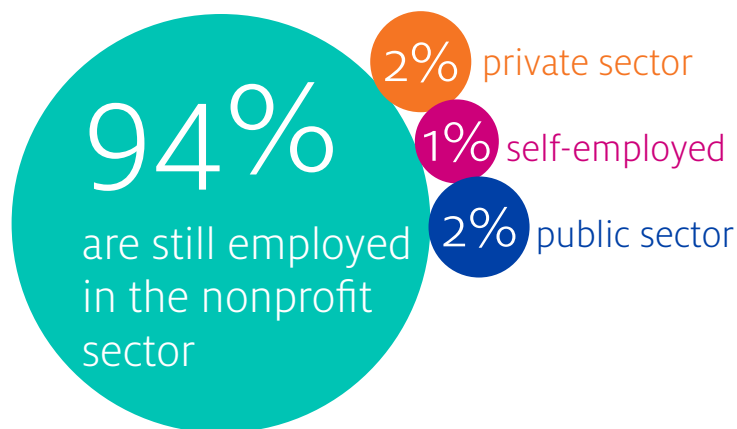
38% are in organizations of 49 employees or less; 43% with 50-499 employees; 20% with more than 500 employees.

70% identify as female; 30% male 20% are 25-34 years old; 40% are 35-44; 30% are 45-54; and 10% are older than 55

50% identify as White/Caucasian; 18% as Black/African-American; 15% as Latino(a); 6% as Asian/Pacific-Islander; 3% as Multiracial

94% are still employed in the nonprofit sector

2% private sector
1% self-employed
2% public sector

We sought to understand the leadership competencies needed for the nonprofit sector by analyzing 10 years of AELA participant data from the Benchmarks® for Managers™ 360 Feedback Assessment. This data consists of over 800 self-report ratings and over 9,000 observations by bosses, direct reports, peers, superiors, and other colleagues. Across all rater categories, 64% of respondents identified as female. Rater frequencies are displayed to the right.

Quantity of 360-Feedback Raters By Category

Category	Quantity
Boss	819
Direct Report	2,776
Other	996
Peer	3,136
Self	814
Superior	856
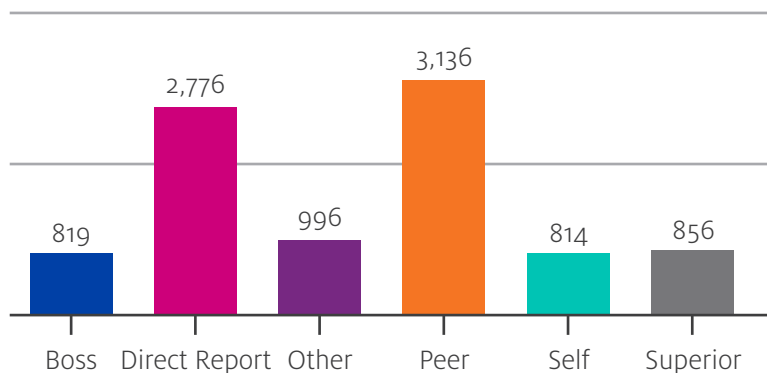
How Did Participation in AELA Impact Nonprofit Leaders?

We were interested in understanding the overall satisfaction of AELA participants. We asked similar questions in our 2018 alumni survey as asked in a 2013 external evaluation to understand if the positive results persisted. Across the board, we saw slightly higher scores on all items in our 2018 sample. While the elevated scores could be due to sample self-selection, the feedback is extremely promising.

Would you recommend your colleagues and peers participate in AELA?
- 2013: 3.8
- 2018: 4.5

Have you worked to develop the leadership of others?
- 2013: 3.5
- 2018: 3.9

Have you continued to develop your own leadership?
- 2013: 3.5
- 2018: 4

Are you more inspired or hopeful?
- 2013: 3.4
- 2018: 3.8

Are you a more powerful and effective leader today?
- 2013: 3.3
- 2018: 3.9

● 2018
● 2013

Program Elements Ranked by Value

#1 Assessments

#2 One-on-One Coaching

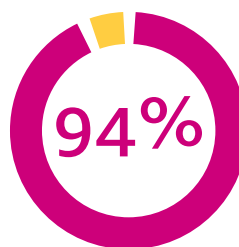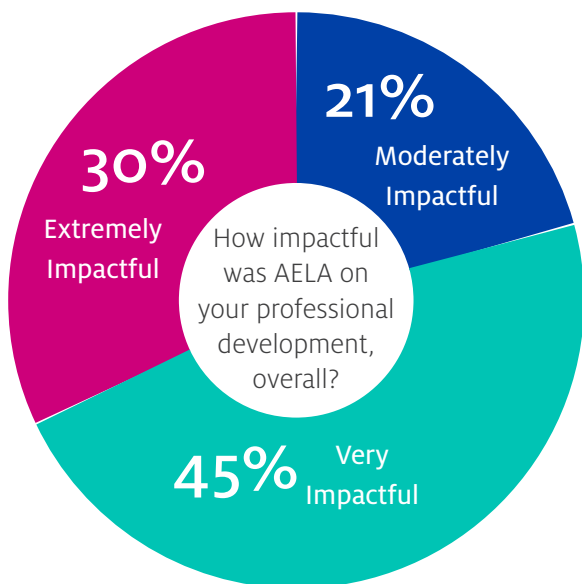**#3** Program Experiential Activities
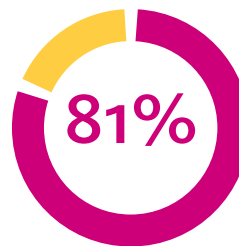
#4 Guest Speakers

#5 Peer Networking and Support

I have participated in other leadership programs as well, but AELA is certainly part of the reason I am the leader I am today. The emphasis on coaching and mentoring stuck with me, and that helped influence the work culture I created with my colleagues here that led to that recognition."

I implemented a leadership lunch and learn agency wide for more than a year for all members in leadership roles within the company. I am also co-leading a strategic planning group to improve the overall work culture for employees."

AELA helped me formulate a vision for our organizational development - the skills I learned there and the confidence I gained gave me the push I needed to participate in staff and organizational development at a time when our organization was going through major changes. That experience allowed me to bring what I learned at AELA to our organizational restructure, and helped to begin to change our organizational culture."

How impactful was AELA on your professional development, overall?

- **30%** Extremely Impactful
- **21%** Moderately Impactful
- **45%** Very Impactful

94% would highly recommend AELA to colleagues and peers

81% feel the program was relevant to the challenges they face as a leader

60% are still in touch with fellow AELA participants

Personal Impact: Top Themes

- Enhanced Self-Awareness
- Leadership Skill Development
- Enhanced Self-Confidence
- Realizing/Setting Career Goals
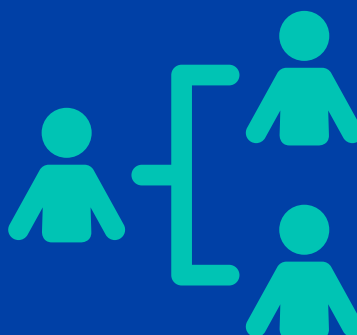- How to Work Better on a Team

51% were promoted

69% took on greater responsibility at work

73% have continued to develop their own leadership potential

Organizational Impact: Top Themes

- Improving Internal Leadership Development
- Enhanced Organizational Development
- Interactions with Others

69% have worked to develop the leadership potential of others to a great or very great extent.

Many have incorporated tools learned in AELA into their work, with the top three being: feedback techniques (64%), coaching (59%), and problem- solving techniques (57%).

Our understanding of personal and organizational impact was informed by a qualitative analysis of open-ended responses to the alumni survey. Top themes for each level of impact are presented here, with supportive quantitative data.

What Competencies Do Nonprofit Leaders Need Most?

Top 5 Most Important Competencies:

Taking Initiative
Takes charge and capitalizes on opportunities.

Putting People At Ease
Displays warmth and a good sense of humor.

Strategic Perspective
Understand the viewpoint of higher management and effectively analyzes complex problems.

Decisiveness
Prefers quick actions in many management situations.

Change Management
Uses effective strategies to facilitate organizational change initiatives and overcome resistance to change.

Top 5 Most Needed Areas for Development:

Decisiveness
Prefers quick actions in many management situations.

Change Management
Uses effective strategies to facilitate organizational change initiatives and overcome resistance to change.

Self-Awareness
Has an accurate picture of strengths and weaknesses and is willing to improve.

Leading Employees
Delegates to employees effectively, broadens employee opportunities, acts with fairness toward direct reports.

Confronting Problem Employees
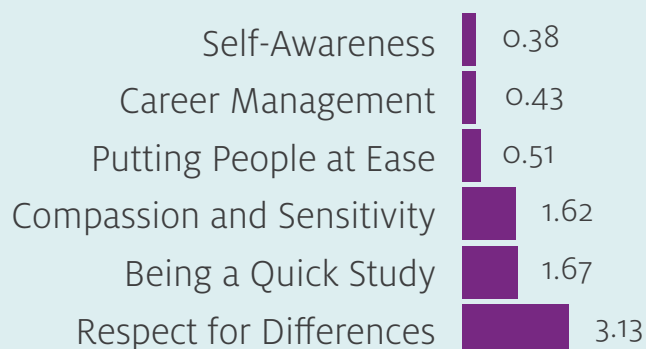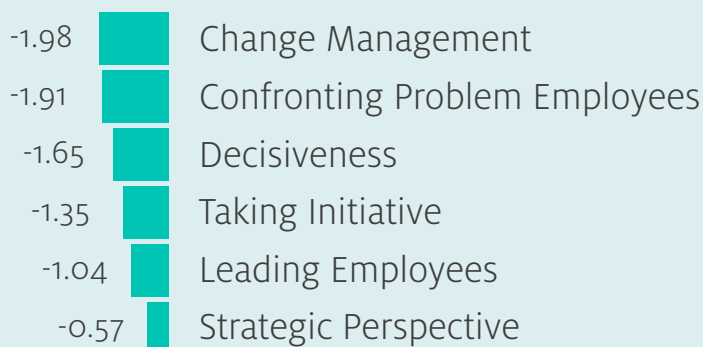Acts decisively and with fairness when dealing with problem employees.

We analyzed over **9,000** 360-degree feedback ratings of **814 participants** in the American Express Leader Academy over the last **10 years.** Across all rater categories (boss, direct report, self, other, peer, and superior) there was consistent agreement on the top 5 most important competencies for leaders in the nonprofit sector as measured by Benchmarks® for Managers™. These leadership competencies span personal self-efficacy, interpersonal relationships, and organization strategy and function. **The top 5 most important competencies are presented on the left.**

Across all rater categories some specific competencies were called out as areas in which nonprofit leaders need the most development. **The top 5 areas for development across all raters are presented on the right.** While there is some overlap, employee management and supervision is highlighted as a key developmental area.

Where Should We Focus Our Developmental Efforts?

Understanding what competencies leaders in the nonprofit sector need is only half the equation. To build the field, we have to understand where leaders are already excelling, and where (according to their raters) they can develop to be more effective on critical leadership competencies.

Understanding Developmental Needs through the *Leadership Attention Index*

-1.98	Change Management
-1.91	Confronting Problem Employees
-1.65	Decisiveness
-1.35	Taking Initiative
-1.04	Leading Employees
-0.57	Strategic Perspective

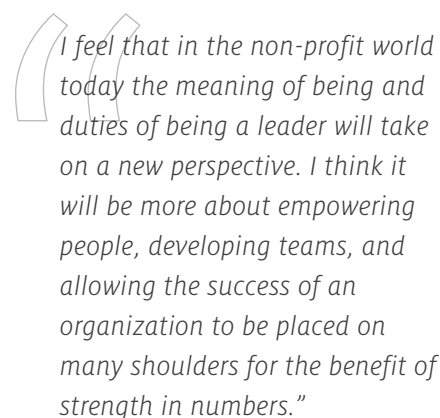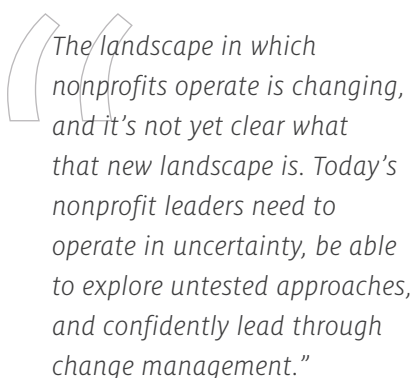|	
Self-Awareness	0.38
Career Management	0.43
Putting People at Ease	0.51
Compassion and Sensitivity	1.62
Being a Quick Study	1.67
Respect for Differences	3.13

The Leadership Attention Index (LAI) (developed by CCL) helps answer the question of where an organization should focus its leadership development efforts by mathematically combining the most important leadership competencies as described by respondents with the level of competency that employees currently have (as observed by various rater groups).

The LAI is best interpreted as a relative measure of priority to guide leadership development efforts. Though the scores on the LAI range between -6 and +6, these numbers are standardized and have no value in themselves other than as a comparison.

A lower index score means that the particular competency requires more urgent attention since that competency was rated as important and there are developmental needs in this competency for employees. A higher index score on a particular competency means that either the competency is rated as less important or the developmental needs of the employees on this competency are less significant.

What are the most significant leadership challenges of tomorrow for nonprofit leaders?

In the words of AELA Alumni, some of these challenges are:

Promoting leaders of diverse cultural backgrounds and developing organizational cultures capable of accessing the gifts of people from all backgrounds."

The landscape in which nonprofits operate is changing, and it's not yet clear what that new landscape is. Today's nonprofit leaders need to operate in uncertainty, be able to explore untested approaches, and confidently lead through change management."

I feel that in the non-profit world today the meaning of being and duties of being a leader will take on a new perspective. I think it will be more about empowering people, developing teams, and allowing the success of an organization to be placed on many shoulders for the benefit of strength in numbers."

What Are The Biggest Challenges Nonprofit Leaders Face?

We asked our alumni to reflect on the nonprofit sector more broadly by forecasting key leadership challenges, expressing their concerns and hopes for the field, and understanding their own longevity in the sector.

Several key themes were identified from their open-ended responses. The major external forces influencing the success of nonprofit leaders (resources, career growth, political climate, talent) are also things that could be most influenced by equipping leaders to address the leadership challenges they see as impending for their field. The image below represents the coding frequency for each theme in response to these open-ended questions.

Despite these challenges, alumni leaders are still highly motivated and equipped to lead. Their ability to address these challenges was improved through their experience with the Leadership Academy.

What are the most significant leadership challenges of tomorrow for nonprofit leaders?

What are you worried about in your field? What opportunities for solutions do you see?

What would be your primary reason(s) for leaving the nonprofit sector?

Bubbles: Marketing & Communication · Promoting Collaboration · Innovation · Leveraging Technology · Sustainability Strategy · Staying Relevant · Talent Management · Political Climate · Lack of Funding · Proving Worth · Lack of Resources · Talent · Equity, Diversity, Inclusion · Competition · Change Management · Career Growth · I'm Not Leaving the Sector
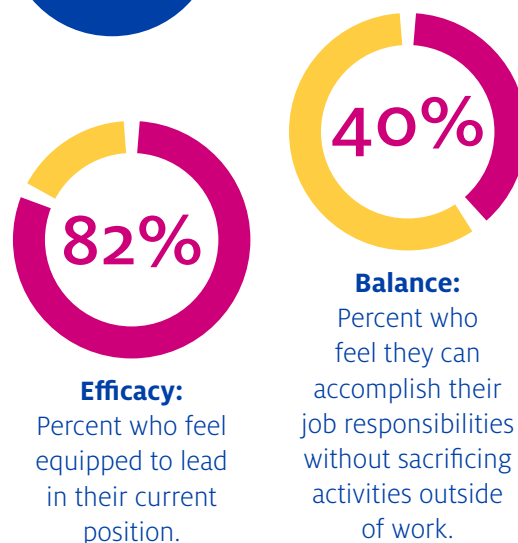
The Motivation Factor:

Motivation describes where and how individuals direct their energy. We can think about motivation in three unique ways:

1. **Value:** Do I want to do it?
2. **Expectancy for Success:** Do I think I can do it?
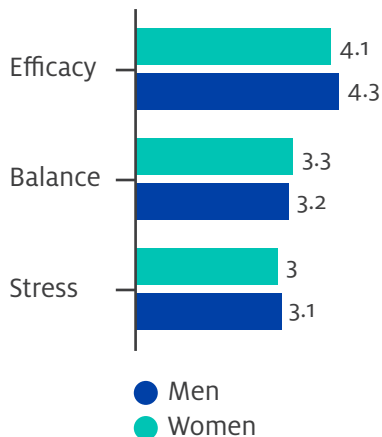3. **Psychological Cost:** Are there barriers preventing my success?

Understanding motivational factors for nonprofit leaders is important for building resilience and preventing burnout. Knowing why individuals do the things they do is an important aspect of understanding who will continue a course of action vs. who follow other paths.

Importantly, we analyzed these motivation and job satisfaction items and found no differences based on gender.

82%

Efficacy: Percent who feel equipped to lead in their current position.

40%

Balance: Percent who feel they can accomplish their job responsibilities without sacrificing activities outside of work.

Job Satisfaction by Gender

Efficacy	Women 4.1 / Men 4.3
Balance	Women 3.3 / Men 3.2
Stress	Women 3 / Men 3.1

● Men
● Women

31%

Stress:
Percent who feel their job causes stress beyond what could be considered normal (to a great or very great extent).
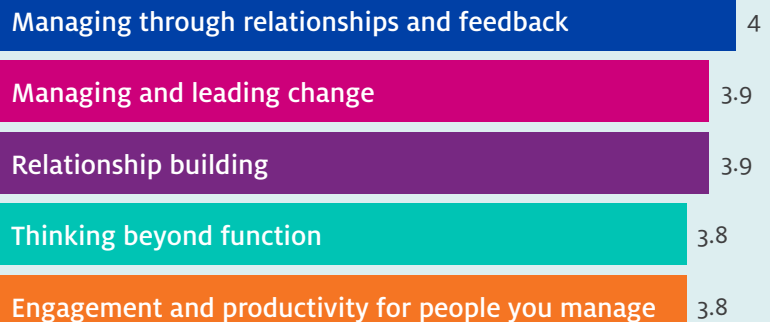
> *"This was where I learned to really value feedback and view it as a gift rather than something that may or may not be what I wanted to hear. Since then I have remained focused on this lesson when giving or receiving feedback, and encouraged others to do the same."*

> *"While I've always attended to developing my team, I have a greater appreciation for how leadership manifests itself in many different ways, and it allows me to support a greater diversity of team members. This impacts our ability to develop and retain talent, essential to social impact work."*

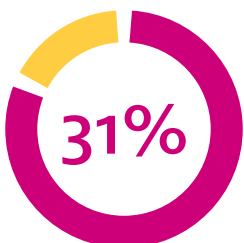### What Challenges Has AELA Helped Nonprofit Leaders Face?

On a scale of 1-5, participants felt that participation in AELA helped them be most prepared to face the following challenges in nonprofit leadership:

Challenge	Score
Managing through relationships and feedback	4
Managing and leading change	3.9
Relationship building	3.9
Thinking beyond function	3.8
Engagement and productivity for people you manage	3.8

> *"The AELA experience has taught me to be a better listener and to always be grateful for every experience. Even in difficult situations, I learned that effective and ineffective communication can make a huge impact in how we do business."*

> *"The training allowed me to better align our team to its goals. In addition, it gave me the skills necessary to help break down the barriers between our team and our organizations leadership team."*

> *"The impact of the awareness of self has fostered a stronger sense of self and has served as an accountability measure for myself and those I'm responsible for leading."*

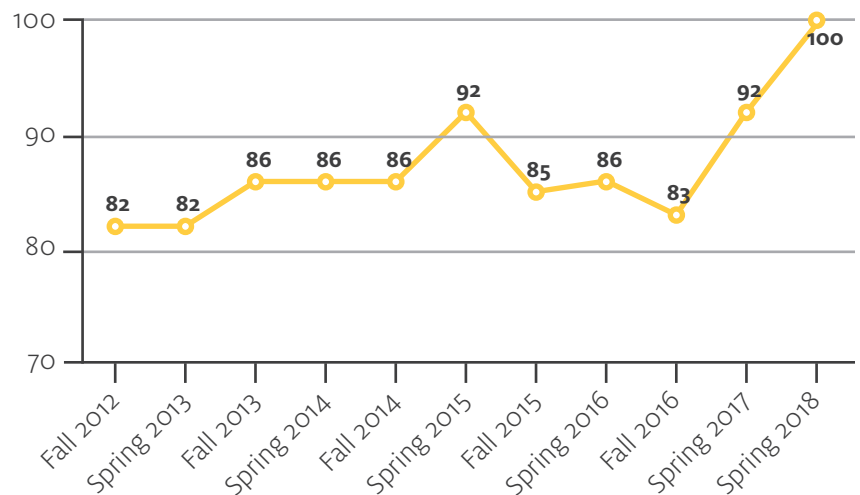# How Can We Most Support Nonprofit Leaders?

Coaching: Professional coaching is a key element of the American Express Leadership Academy. Through coaching sessions, participants have the opportunity to reflect on their experiences implementing skills learned in AELA into their professional practice. A 2013 external evaluation found that many participants have never had the opportunity to experience professional coaching, and many found it to be very valuable and supportive as a means for leveraging the content they learned in the classroom into their organizational and professional efforts. We analyzed the last six years of coaching data to understand coaching utilization and satisfaction. Coaching utilization represents the number of hours allocated and how many of those were utilized by participants. The high percentage of utilization across all cohorts suggests that participants found the experience valuable.

Percent of Coaching Utilization by Cohort

2,099
hours allocated for coaching since 2012

1,825
hours of coaching utilized

4.8+
average score of the value of the coaching relationship

The Academy was an awesome learning experience and I was excited about not only learning from the coaches but from my peers as well. But the coaching has been extremely instrumental in my career development. He's given me such great strategies to use in my management of people and for building new leadership skills and capabilities that I've made great strides with my leadership development. I accredit his coaching to me improving in how I coach subordinates, how I create business developments for the organization, how I save energy and how I prove my worth. My organization has always been very supportive but because of [his] coaching he gave me the conviction and courage to make intentional moves in pursuing my career goals. He is taking me from good to great and I appreciate his coaching and the opportunity I was afforded to participate in the American Express Leadership Academy."

SUPPORTS | BARRIERS

41%
peer support

41%
alignment w/ current work

43%
manager support

64%
feedback on my performance

49%
not enough time

27%
conflict with current work

23%
lack of manager support

After the Program: What does it take for nonprofit leaders to fully capitalize on their investment in leadership development? By far, the factor that participants reported as most supportive of their application of learning back on the job was feedback on their performance. This was followed by having the support of both managers and peers, and feeling as though the leadership development practices were in alignment with current work. The largest barrier to implementation was lack of time.

What do these supports look like in practice?

Feedback on my Performance:
"The most significant learning tool has been the information from my 360 related to delegating and allowing my staff to be part of the development stage of projects; modeling good staff appraisal based on ongoing communications and team tasks; and a more robust effort toward sustaining and cultivating partnerships."

Manager Support:
"Both my boss and I participated in AELA at the same time. He has since been promoted, and I have been promoted into his former job managing the largest group of staff in the org. We've been able to integrate into our org things like the SBI feedback model and awareness around "emotional intelligence"/assessments."

Alignment w/ current work:
"Since I am [the] Founder of my local affiliate, I often check the pulse of my passion and bandwidth to make sure I am motivated to fulfill and continue to grow our organization."

Peer Support:
"We were fortunate to have a few cohorts of participants go thru AELA. Not only did this strengthen each of us individually, but we met periodically afterwards to serve as accountability partners & resources to each other."

Report Authors:

Valerie A. Futch Ehrlich, PhD
Jeff Kosovich, PhD
Tim Leisman
Center for Creative Leadership

Erica Young
Society for Human Resource Management

LEARN MORE

- Interested in joining the more than 3,000 alumni of the American Express Leadership Academy? Visit: http://about.americanexpress.com/csr/nla.aspx

- Continue your leadership development journey with the Center for Creative Leadership. Visit: www.ccl.org

- Support development of leaders in the social sector worldwide. Visit: https://www.ccl.org/transform-the- world/

- Stay tuned for continued results from the CCL + AELA Alumni Study.

- For information about the American Express Leadership Academy, contact Shera Clark, PhD at clarks@ccl.org

- For information about services in our Nonprofit portfolio, contact Tracy Patterson at pattersont@ccl.org

Center for Creative Leadership

One Leadership Place
Greensboro, NC 27410
+1 336 545 2810

Leadership development is ALL we do.

For nearly five decades, we have leveraged the power of leadership to transform individual leaders, teams, organizations and societies. Our innovative solutions are steeped in extensive research and experience gained from working with hundreds of thousands of leaders at all levels – across six continents and 130 countries. More than a million leaders later, drawing from our extensive experiences and our expert faculty and staff around the globe, we help take your organization to new heights through leadership development.

We are ranked among the world's Top 10 providers of executive education by *Bloomberg Businessweek* and the *Financial Times*, based on feedback from clients. So you can be confident we will deliver the results that matter most to you.

We create leaders who move their worlds. The results are transformative!