



**MODEL PARTNERSHIPS FOR IMPACT**

AMERICAN EXPRESS  
AND CENTER FOR  
CREATIVE LEADERSHIP

2016

## MODEL PARTNERSHIPS FOR IMPACT

American Express  
and Center for Creative Leadership

Fall 2016

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### About Independent Sector

Independent Sector is the leadership network for nonprofits, foundations, and corporations committed to advancing the common good. Our nonpartisan coalition's networks collectively represent tens of thousands of organizations and individuals locally, nationally, and globally.

### Our Vision & Purpose

We envision a world of engaged individuals, robust institutions, and vibrant communities working together to improve lives and the natural world, and strengthen democratic societies. To help create this future, we lead and catalyze the charitable community, partnering with government, business, and individuals to advance the common good.

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Independent Sector (IS) works to enhance grantee and funder organizations to ensure both are effectively helping society's most vulnerable populations. From Independent Sector's cornerstone Building Value Together Initiative, which outlined practices to help foundations and nonprofits achieve successful outcomes, to Charting Impact to Threads, IS has addressed how nonprofits and foundations can have healthier relationships with one another and best fulfill their organizational missions to strengthen the communities they serve.

IS is committed to being responsive to the sector and the knowledge gleaned during our 15 cross-country Threads conversations with 80 partner organizations. In every city IS visited, one consistent impediment to meeting mission was raised: the strained relationships between grantees and funders. IS seeks to respond to what we heard by building upon previous work by IS and others, and adding to the depth of knowledge needed to move grantee/funder 'power dynamics' in a more productive direction.

Our first contribution to this conversation is a series of eight case studies, featuring grantee and funder pairs, who exemplify healthy relationships and illuminate the practices and behaviors that contribute to a positive power dynamic.



## Leveraging the strengths of both grantee and funder builds a strong foundation for lasting results.

“I can always count on Richard for a new idea! What I like about working with him is his ideas push us and we work together to develop what makes sense for the American Express Leadership Academies,” says Karen Dyer, group director of the education and nonprofit sector division for the Center for Creative Leadership (CCL). She continues, “They provide the funding, but we do what we collectively feel is best.” Richard Brown, vice president of philanthropy, American Express, echoes this sentiment, “We defer to them and their expertise. I also think this partnership brings credibility to our brand.”

Brown first heard of CCL in 1999 prior to coming to American Express (AmEx). “I worked with someone who was a CCL certified coach. It always stood out

in my mind as an organization doing exemplary work in the leadership space.” When Brown came to American Express in 2007, the company’s Corporate Social Responsibility group was interested in pivoting the foundation’s work to focus on emerging leaders and invited CCL to respond to an RFP to partner in the development of a Leadership Academy. “We had a general sense of what we wanted, but knew it was a work in progress. In June 2007, we worked with CCL to plan, strategize, and gain clarity on our vision.”

“When we learned AmEx was interested in working with emerging leaders, we were already doing work with the Robert Wood Johnson Foundation in this area so it made it a good fit.

When we began brainstorming, I pointed out AmEx needed to incorporate technical as well as leadership training in their work. We started co-developing the curriculum and pairing our strengths. CCL's expertise is in the area of leadership and American Express leverages their senior leaders in each academy to provide managerial skills. As our partnership has expanded, this basic formula has always stayed the same," says Dyer.

CCL was the vision of businessman H. Smith Richardson Sr. who was responsible for building Vick Chemical Company from a one drug store operation into an international corporation. His vision was to build an institution that would help leaders tap into their full potential.<sup>1</sup> Its mission is to advance the understanding, practice, and development of leadership for the benefit of society worldwide<sup>2</sup>. The Smith Richardson Foundation provided the initial funding for CCL and continues to support CCL's work<sup>3</sup>. The organization's annual revenues are about

\$110 million<sup>4</sup>. It annually serves more than 30,000 individuals and 2,000 organizations, including more than 80 of the Fortune 100 companies, across the public, private, nonprofit, and education sectors<sup>5</sup>.

One of American Express' three philanthropic platforms is Developing New Leaders for Tomorrow. Under this giving initiative, which recognizes the significance of strong leadership in the nonprofit and social purpose sectors, American Express makes grants focused on training high potential emerging leaders to tackle important issues in the 21st century. More than 16,000 emerging nonprofit and social sector leaders worldwide have benefitted from American Express leadership programs, including the American Express Leadership Academy among others.

Launched in 2008, the American Express Leadership Academy addresses the growing leadership development deficit in the nonprofit sector by bringing together emerging leaders from a diverse set of nonprofit, social sector, and non-governmental organizations. American Express' two other giving pillars are: Historic Preservation and Community Service<sup>6</sup>. CCL is the largest grantee under the Leadership giving theme and receives \$1,500,000 annually.

## The Work of the Relationship

The American Express Leadership Academy is the marquee leadership program of the philanthropic arm of American Express. It was founded in 2008 in partnership with CCL and focuses on building the personal, business, and leadership skills of emerging leaders needed to run a successful nonprofit organization<sup>7</sup>.

1. "History." Center for Creative Leadership. Accessed July 11, 2016. <http://www.ccl.org/leadership/about/history.aspx?pagel=8>.
2. "Mission & Vision." Center for Creative Leadership. Accessed July 11, 2016. <http://www.ccl.org/leadership/about/mission.aspx?pagel=23>.
3. "History." Center for Creative Leadership. Accessed July 11, 2016. <http://www.ccl.org/leadership/about/history.aspx?pagel=8>.

4. "Form 990." Guidestar. Accessed July 11, 2016. <http://www.guidestar.org/FinDocuments/2014/237/079/2014-237079591-0b2c459b-9.pdf>
5. "Quick Facts." Center for Creative Leadership. Accessed July 11, 2016. <http://www.ccl.org/leadership/about/quickFacts.aspx?pagel=654>.
6. "How to Apply." American Express. Accessed July 11, 2016. <http://about.americanexpress.com/csr/howto.aspx>.
7. "American Express Leadership Academy." American Express. Accessed July 11, 2016. <http://about.americanexpress.com/csr/nla.aspx>.

When asked about specific hurdles in their relationship, which is now going on its eighth year, both Dyer and Brown gave various examples which ranged from tactical to branding conflicts, but both agreed those were marginal in the relationship because the vision of success and the understanding of the metrics by which both are judged, are shared and understood.

Dyer explains, “We both want to impact the [nonprofit] sector. We both want people to stay in the sector. We want to strengthen the sector and know wherever you are in your organization, you can exhibit leadership. American Express is also interested in how people feel about the program and looks at the evaluations at the end of each session. They read those very carefully. Their expectation is nothing below a 4.5 [on a 5 point scale] which can be hard in a 72 person cohort, but we are consistently at a 4.8 or 4.9.”

“My vision of success is consistent high ratings among the participants.

In our most recent evaluation, we found 90% of CCL academy participants were still working in the sector; 73% received a promotion or were given more responsibility; and 70% said they had never had an intense leadership program that matched what they received from CCL. We are focused on providing quality leadership training so people in the sector have best in class training and high potential leaders can come get the best training to deliver on their organizational missions. Our vision for success is shared [with CCL]” says Brown.

Over time, the Academy has evolved to offering 19 different leadership academies in nine different countries<sup>8</sup>. Each Academy has a different curriculum or focus. CCL is their partner in five of them. With this growth has also been the increased need of capacity building for CCL which American Express has agreed to fund. “We paid for back office support for the program as it expanded. We want this to be a turn-key operation and we are committed to providing them with the support needed to maintain its level of success,” says Brown.

Dyer agrees that the need to be in lock-step executing a program of this scale requires interconnected, inter-organization coordination and she believes it is this ability to intertwine which has strengthened the partners. “Within three months [leading up to] every Academy we have increasingly frequent meetings and communications, structured, planned, and unplanned. I have one dedicated project manager on CCL’s side who will pick up the phone and call Richard if she anticipates an issue. He will do the same. We enjoy a symbiotic relationship.”

The success of the individual Academies, and its ability to scale, has also facilitated AmEx and CCL influencing one another’s practice. In some cases, Brown has also made funding available to other organizations to use CCL or participate in their programs if it will help move their organization forward. This has facilitated organizations such as Autism Speaks, Points of Light, and the Community Foundation of Broward County to access training they may not have otherwise. For CCL, the ability to work with nonprofits has been a huge draw for coaches and CCL staff. “CCL’s corporate trainers look forward to working with the beloved AmEx. They especially enjoy working with the nonprofit leaders and with such a strongly branded company like American Express,” says Dyer.

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8. "American Express Leadership Academy." American Express. Accessed July 11, 2016. <http://about.americanexpress.com/csr/nla.aspx>.

## The Impact of the Relationship

“We have trained hundreds of leaders for the nonprofit sector,” says Brown. “We have had the opportunity to impact organizations across the U.S. both large and small. Different types of organizations and [we bring together] different types of jobs such as development officers, IT, HR professionals, and program staff. National and local. In 2008 we started out with 24 individuals in one Academy. We have grown to 144 people a year, and that’s just been with CCL. We are now up to [training] 675 people a year worldwide. The reach has been amazing. CCL has helped us grow this franchise to what it is.”

Dyer agrees with the depth and breadth of the organizations who have been impacted, and she adds that an exponential impact is the ability for CCL to offer continuing leadership development to Academy Alumni, as well as contribute to the body of research on leadership development within the sector. “If we have any savings from the program, it goes into a development fund where alumni can call any time to get funds for more coaching or access additional resources or participate in additional training, whether CCL or a different organization. [This ability to provide ongoing support] has a lot of impact. We also have the ability to conduct research about emerging leaders in nonprofits [and that] informs both our work and that of the sector.”

## The Future of the Relationship

“The Academy is what we lead with and as long as we are working in the leadership space, I hope CCL will be our partner,” says Brown. Dyer agrees, “In 10 years our partnership may look different, be varied or complex, but we believe our ability to provide continuous education and research will be long-lasting.”



# SECTOR LEARNING

This is one of a series of case studies that grounds IS' larger post-*Threads* power dynamic work by providing the cornerstone for a set of prototype tools to help aid the transfer of healthy behaviors, practices, and conditions from one relationship to another. This case study reflects a number of transferable behaviors, practices, and conditions, including but not limited to:

- **Shared vision and co-development of program.** While American Express had a general outline of what they wanted to accomplish through their Leadership Academies, in the initial design and as the program has expanded, CCL and American Express co-develop the content.
- **Establishing clear metrics and mutual accountability to achieving them.** Along with co-development of the program, there is a shared understanding of metrics and a supporting structure of mutual accountability to achieving them.
- **Utilizing prior professional knowledge.** Brown's prior knowledge of CCL carried through to influence his work at American Express.
- **Mutually influencing organizational practice.** The brand of American Express and CCL helps both the Academy and CCL attract talent (for Academy: participants; for CCL: faculty). Additionally, American Express' fruitful experience with CCL has facilitated their funding other organizations to access training they would not otherwise have.
- **Continuous conversations about refinement.** As the Academy continues to grow and serve audiences, this growth informed by Academy evaluations and continuous dialogue refines each subsequent Academy's curriculum.



# METHODOLOGY

Through a variety of sources, including, but not limited to, IS' Power Dynamic Advisory Group recommendations and IS member suggestions, we identified a universe of 112 potential examples of healthy grantee/funder relationships. From this initial universe, 40 nonprofits and foundations, constituting 20 pairs who believed they had healthy relationships, were interviewed via telephone for 45 minutes each between May 20 and June 15, 2016. Grantee and funder interviews were conducted separately so alignment between pairs could be better assessed.

All case studies were evaluated against the following set of criteria developed in partnership with IS' Power Dynamic Advisory Group. For the purpose of this work, a healthy relationship was defined as:

1. Alignment between the grantee/funder responses.
2. Embodying a relationship that is authentic/honest, representing the opportunities and challenges which come with partnership.
3. Discussing, at all or with some frequency, both productive and unproductive aspects to partnership.
4. Having jointly developed terms of the relationship/what the future looks like.
5. Illustrating demonstrative impact in their communities as a result of their work together.

Other factors which may have been considered in the determination of the final case studies, but did not rise to the level of required criteria were: (1) IS membership status; and (2) availability of the Center for Effective Philanthropy Grantee Perception Report (*GPR - the GPR provides funders with comparative, actionable feedback from their grantees based on responses to a customizable online survey*).

Each case study selected represents the experience of the specific individuals who participated in that particular grantee/funder pair. It is only meant to represent that individual relationship. The collection of case studies was selected to represent the diversity of the sector. This diversity includes but is not limited to: size of the organization's scale of investments, geography, and focus of organization. In showcasing a range of relationships within the sector, it illustrates the differences which make our sector fundamental to providing a vital voice to our most vulnerable populations.

*The views expressed in this case study reflect the experience of those interviewed and not the views of IS. Each case study was chosen based on a series of criteria and evaluated by a panel of nonprofit and philanthropic sector professionals.*



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