



*Helping Organizations
Take the Next Step*

The Next Generation of Nonprofit Leaders: Will There Be Enough?

By John Heymann

A perfect storm is brewing in the nonprofit world – one that promises to rock the boat for nonprofits and the communities that they serve. At a time when the sector is rapidly expanding (between 1995 and 2004, the number of nonprofits grew at a compound growth rate of 69%), baby boom executives are retiring and the available labor pool will soon be insufficient to meet demand.

According to a recent national study by Bridgespan Group that was published in *Stanford Social Innovation Review*, “Over the next decade, nonprofits will need to find some 640,000 new executives, nearly two and a half times the number currently employed.” The implications are staggering: more than 50 percent of every MBA graduating class, at every university across the country, every year for the next 10 years would have to be recruited to the nonprofit sector to meet projected demand.

In an effort to understand the local nonprofit picture, NewLevel Group recently asked over 230 of Napa County’s nonprofit leaders what single service would most benefit their organization as a whole. Echoing the findings of the Bridgespan study, over 68% of the survey respondents said that the development of future leadership was top on their list. (The full results of NewLevel Group’s Nonprofit Survey can be found on www.newlevelgroup.com.)

One of the most obvious – and cost effective – solutions for nonprofit leaders to meet the leadership deficit challenge is to keep their existing leaders. While most nonprofits can’t offer executive compensation to rival corporate salaries, they can offer what is often more valuable – leadership development skills. Savvy executives are always looking for ways to grow their abilities, learn new skills and become more effective. By offering training opportunities to their leaders, nonprofits can retain top talent while growing the organization’s institutional knowledge.

Another way to address the leadership shortage is to outsource management to a professional management company like NewLevel Group. It is often more productive and cost-effective for a nonprofit to hire a skilled team to manage the administrative tasks that overstretched staff would otherwise have to handle, freeing up the organization to focus on the more critical issues of fundraising, marketing, and building donor and community relations.

However the nonprofit sector chooses to tackle the looming leadership deficit, one thing is certain: the clouds on the horizon indicate there could be rough sailing ahead.

John Heymann, CEO of NewLevel Group, has more than 30 years experience as an entrepreneur, business owner, and leader. A former Peace Corps volunteer, Managing Director of the Land Trust of Napa County, and Chief Executive Officer of Motto Kryla & Fisher, John is well known throughout Napa County for his ability to work with disparate groups to gain consensus and deliver results. John can be reached at 255-5555 x105, or jheyman@newlevelgroup.com.