

As Nonprofits Hunt for Better Board Members, Can MBA Philanthropy Help?

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GOLUB CAPITAL

A New York firm's \$25 million of support helps create nonprofit boardroom placements for students learning the realities of foster care, immigration, health care for the elderly, and more.

Growing up in Wisconsin, Terrance Walless wanted to become a physical therapist. Then his horizons widened. In 2012, studying for an MBA at Northwestern University's Kellogg School, he took a course on nonprofit leadership, which included a yearlong placement as a nonvoting board member at a Chicago-area nonprofit.

"It was a little intimidating at first," Walless remembers. The other board members of North Shore Senior Center were a lot older and wealthier, capable of personally leading each year's fundraising campaigns. "I couldn't match that," Walless recalls. "I didn't even own a car. I had to keep renting Zipcars to get to and from board meetings. But the other directors made me feel welcome. And I learned a lot about how a well-run, successful organization operates."

Today Walless runs his own digital health startup while serving on the board of the Center for Better Aging, an ambitious new nonprofit treating patients throughout Chicago's South Side. He co-led the search committee that found the center's first executive director. And when the center launched earlier this year with \$122 million of state funding, Walless played a key role in drafting the grant application.

Nonprofits everywhere would love to find more board members like Walless. As consultant Barbara Taylor [explained](#) years ago in Harvard Business Review, the

"I wished there were more well-run nonprofits and I began looking for ways to help make that happen."

— David Golub, President of Golub Capital

ideal nonprofit board should work closely with operating leaders to develop strategic plans, while also supporting capital campaigns, providing fiduciary oversight, and steering the organization through leadership transitions.

But such effective governance "is a rare and unnatural act," Taylor observed.

Hoping to fix this shortage, New York financier David Golub, working with his brother Lawrence, has committed \$25 million of philanthropic gifts from their firm, Golub Capital, to leading business schools with nonprofit board training as a central focus where nearly \$10 million has been paid out since 2018. The goal is to train new cadres of MBAs with the expertise and passion to step into nonprofit board leadership.

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