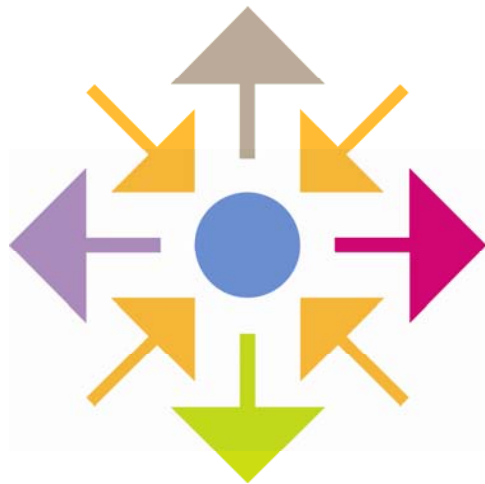


# Working Toward Diversity & Inclusion:

## Recognizing Progress and Creating Change



**DIVERSITY &  
INCLUSION**  
ACTION KIT

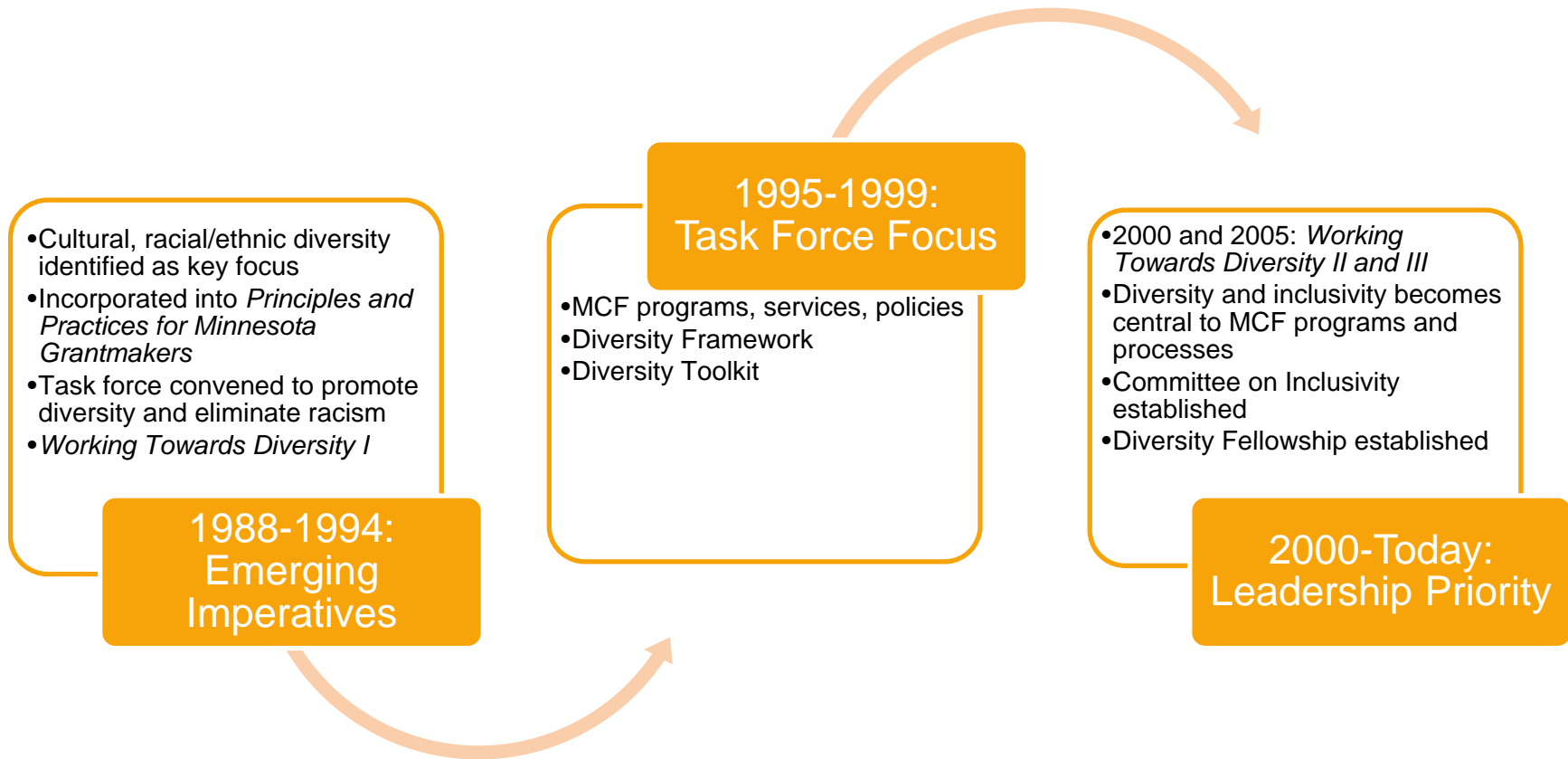


MINNESOTA COUNCIL  
ON FOUNDATIONS

# Why Diversity Matters

- Greater Effectiveness
- Greater Transparency
- Greater Purpose

# Diversity and Inclusion: A Longstanding Priority



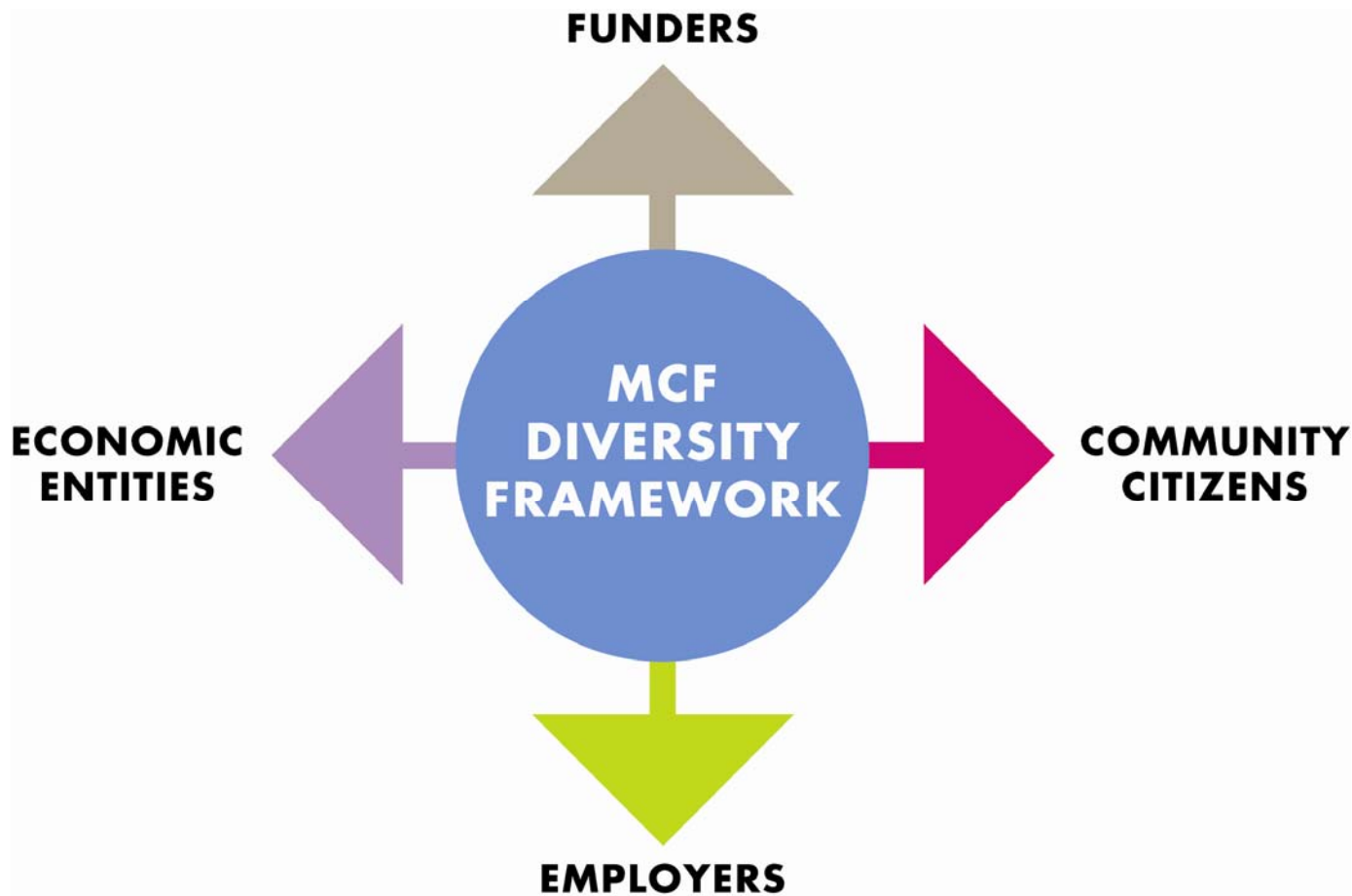
# Diversity and Inclusion Today: Board Direction

- Strategic leadership priority
- Broadened definitions of diversity:
  - ◆ Race/ethnicity
  - ◆ Gender
  - ◆ LGBTQ status
  - ◆ Culture
- New focus on national partnerships
  - ◆ D5 Coalition
  - ◆ State of the Work Report

# Minnesota Council on Foundations: Partner in Progress

- Track progress
- Identify and share promising practices
- Challenge ourselves to ask the tough questions and commit to inclusive practices

# MCF Diversity Framework



*Working Towards Diversity IV*

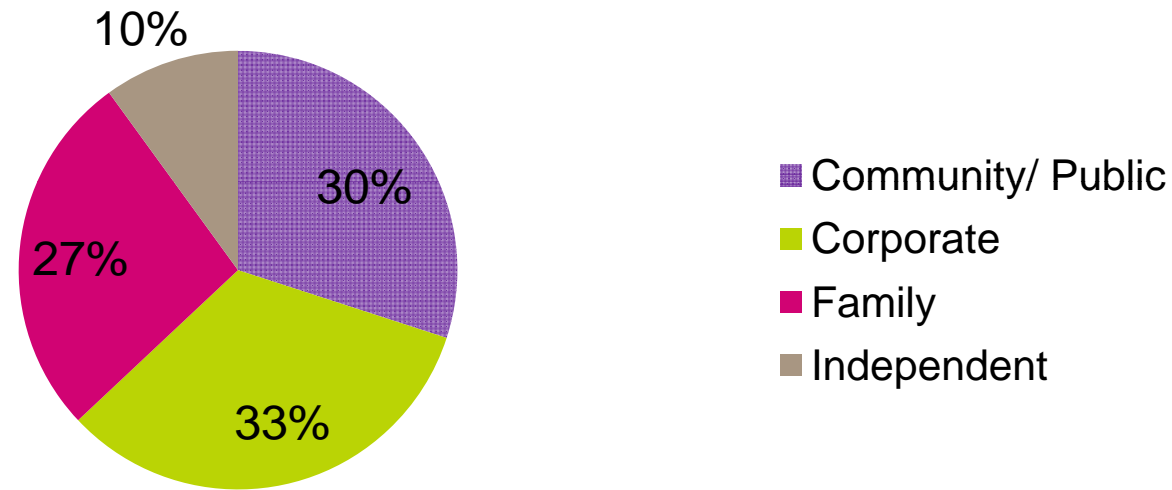
# **FINDINGS**

# Methodology

- Data collected via surveys, focus groups and CEO interviews
- Survey asked about:
  - Demographics
  - Policies and Procedures
  - Capacity Building
- **80** foundations and corporate giving programs participated in the survey, representing approximately **1700** individuals

# Survey Participants Reflect Minnesota Grantmakers

## Survey Participants by Grantmaker Type



Survey participants represent:

- 57% of Minnesota's total annual grantmaking
- 40% of total annual assets

# Focus groups and interviews revealed stories behind the numbers

## Two types of focus groups:

- Foundation type
  - Corporate
  - Community
  - Independent
  - Family
- Population type
  - Black/African American
  - Asian/Asian American
  - Native American
  - LGBTQ
  - Not enough participants for Hispanic/Latino/Latina, Young Adult
- More than 40 participants

## CEO interviews:

- Candid interviews about their personal experiences, convictions, challenges and successes in advancing diversity and inclusion within their organizations
- 9 CEOs participated

*Working Towards Diversity IV*

# DEMOGRAPHICS

# Board and staff racial/ethnic diversity mirrors state workforce



## Minnesota Grantmakers Demographics Compared to Workforce Population

\* Percentages in **red** fall at least 0.5 percentage points **below** workforce percentages; percentages in **green** are at least 0.5 percentage points **above** workforce percentages.

Race/Ethnicity	MN Workforce Population %	Board Chairs %	Board Members %	Chief Executives %	Executive Staff %	All Staff %
Asian or Asian American (%)	3.2	2.6	2.0	0	1.8	3.6
Black or African American (%)	3.8	3.9	4.3	7.5	5.5	5.6
Hispanic/Latino/Latina (%)	3.1	1.3	2.4	1.9	1.8	2.7
Native American or Alaska Native (%)	0.95	2.6	3.8	1.9	2.7	2.0
White/Non-Hispanic (%)	86.6	89.6	86.9	86.8	88.2	83.5

# Women prominent on foundation staff; men dominate boards



## Minnesota Grantmakers Demographics Compared to Workforce Population

\* Percentages in red fall at least 0.5 percentage points below workforce percentages; percentages in green are at least 0.5 percentage points above workforce percentages.

Gender	MN Workforce Population %	Board Chairs %	Board Members %	Chief Executives %	Executive Staff %	All Staff %
Male (%)	49.4	61.5	58	43	42.7	26.2
Female (%)	50.6	38.5	42	57	57.3	73.5

# Persons with disabilities are under-represented



## Minnesota Grantmakers Demographics Compared to Workforce Population

\* Percentages in red fall at least 0.5 percentage points below workforce percentages; percentages in green are at least 0.5 percentage points above workforce percentages.

Disability Status	MN Workforce Population % **	Board Chairs %	Board Members %	Chief Executives %	Executive Staff %	All Staff %
Persons with Disabilities (%)	11.4	1.3	0.88	5.7	0	0.14

\*\* The U.S. Census Bureau tracks the number of persons with disabilities, but makes no distinctions regarding type or level of disability, or ability to work

# Persons identifying as LGBTQ more likely to be on staff than board



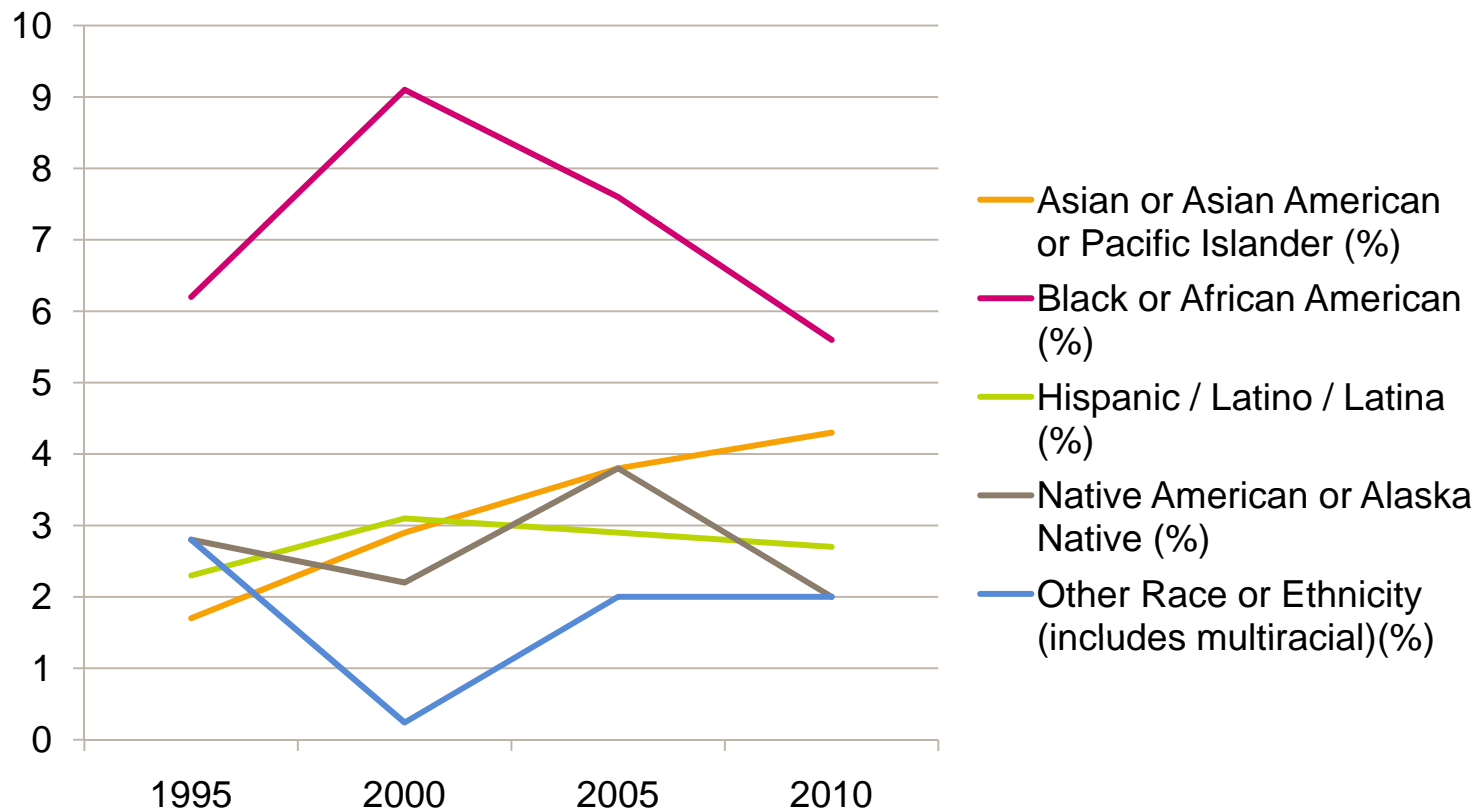
## ***Minnesota Grantmakers Demographics: Persons identifying as LGBTQ***

LGBTQ Status	Board Chairs %	Board Members %	Chief Executives %	Executive Staff %	All Staff %
Persons who identify as LGBTQ(%)	3.8	1.9	9.4	5.5	4.5

# Staff diversity has not increased over time



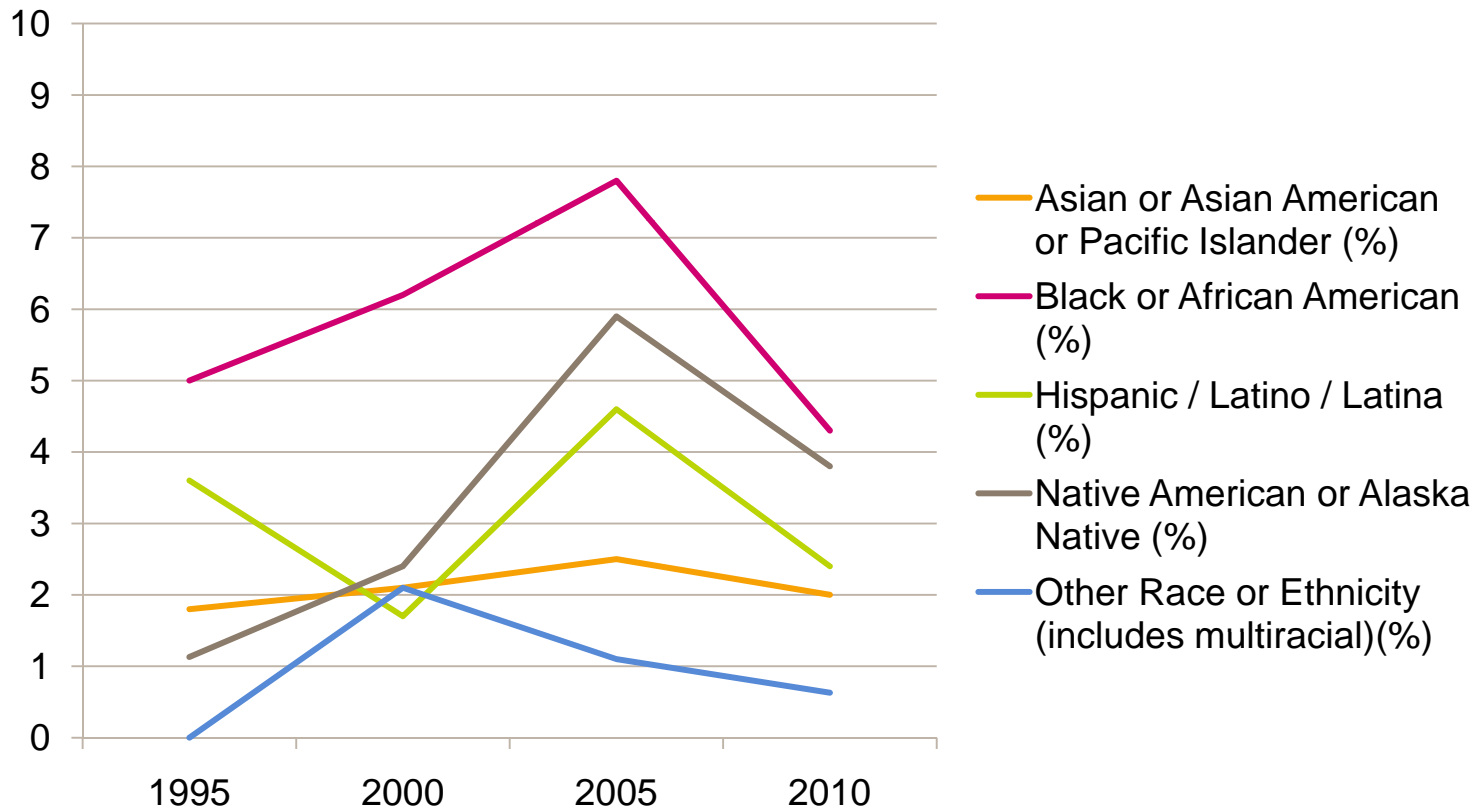
**Race/Ethnicity Percentages of Staff, 1995-2010**



# Board diversity has also not increased



**Race/Ethnicity Percentages of Board Members, 1995-2010**



# Potential drivers of decline



- Isolation
  - Diverse board and staff members may not feel that their diverse viewpoints are valued or heard
  - Results in burnout and turnover
- Economic downturn
  - People of color in program positions, but not operational roles
  - If an organization changes its program priorities, people of color may be the first to go
- Survey sample changes

**“Boards need a critical mass of any given population in order for folks in the minority to feel comfortable fully contributing and sharing with the board.”**

*- Leadership Profile CEO*

# Thought Starters: Demographics

- What does the diversity of the field tell us about inclusion within the field?
- Against what metric should we benchmark ourselves: state workforce numbers, demographics of constituencies served, or something else?
- What opportunities do you have to further diversify your staff or board? How can you spur change?
- If diversity increased at your organization, how would it change the way you work?

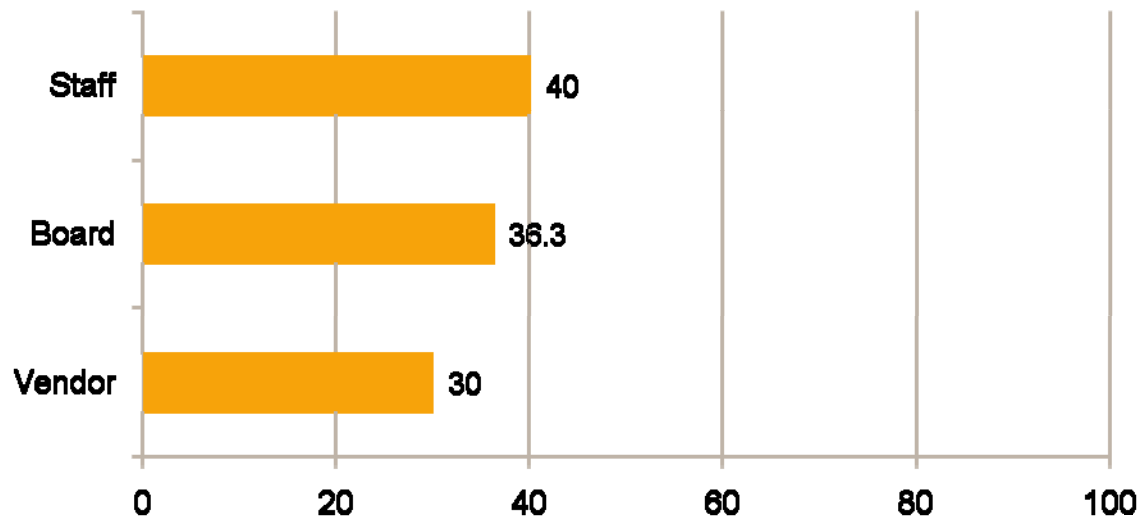
*Working Towards Diversity IV*

# **POLICIES & PROCEDURES**

# Less than half of survey respondents have diversity policies in place



## Percentage of Organizations with Written Diversity & Inclusivity Policies

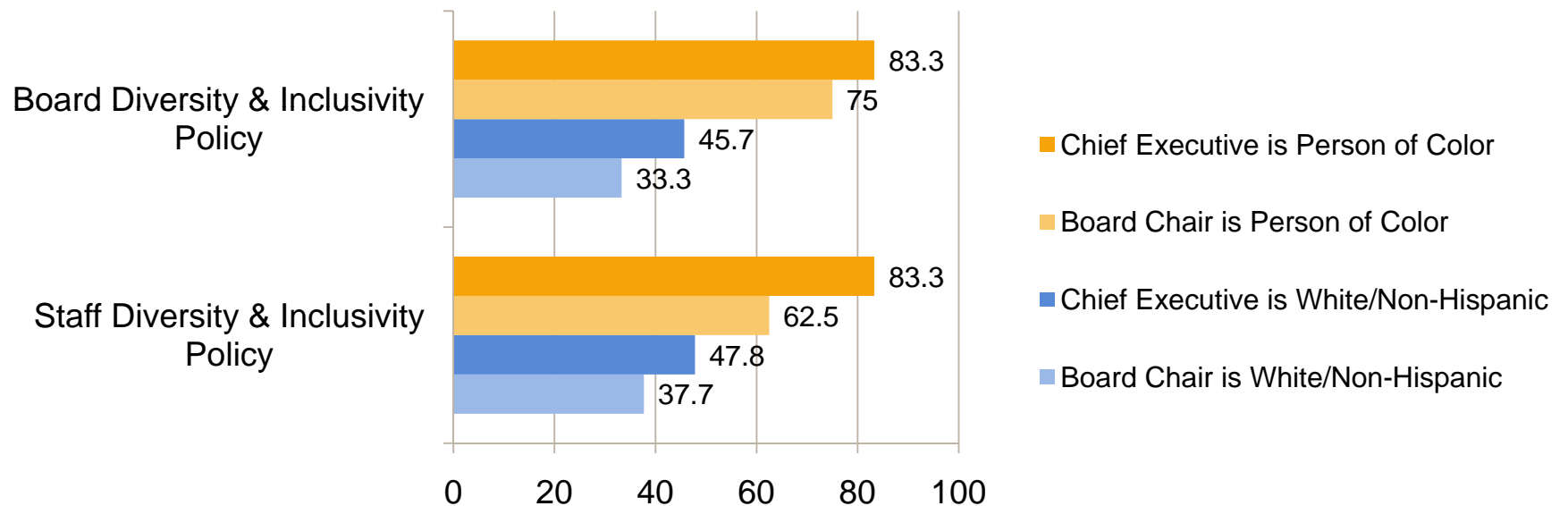


In 2005, 36% of respondents had “formal diversity recruitment policies”

# Grantmakers with diverse leaders have diversity policies

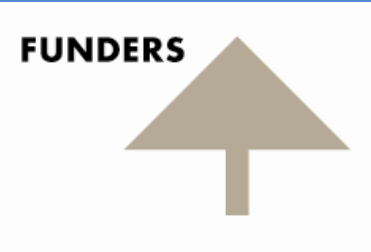


## Diversity and Inclusion Policies by Race/Ethnicity of Chief Executive and Board Chair

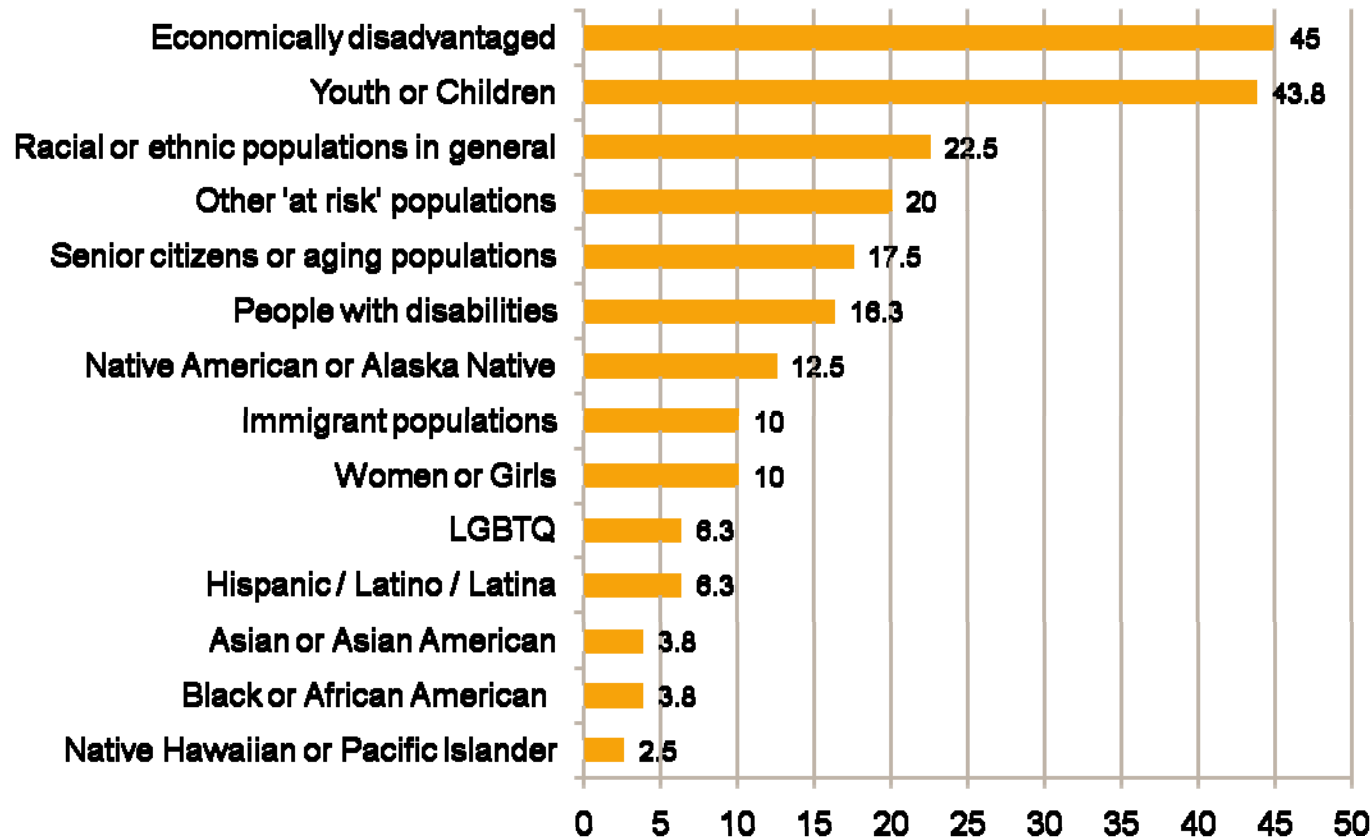


When completing the survey, many grantmakers noted that, **although they may not have written policies, they do value diversity and inclusion as fundamental to their work.**

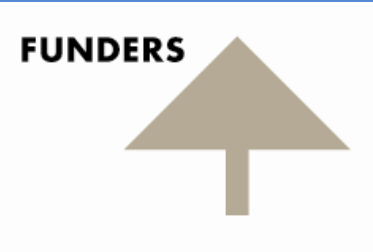
# Most beneficiaries are not diverse populations specifically



## Key Constituencies Supported by Minnesota Grantmakers



# We can't quantify how many grant dollars benefit diverse groups



- A Foundation Center study analyzed 100 randomly selected grants identified as serving the “economically disadvantaged.”
  - 64% of them primarily benefitted persons of color
- In 2010, MCF could code only 53% of Minnesota grants to a specific beneficiary group
- Grantmaking data are often incomplete; we need to change this.

“It is a forgone conclusion that diverse populations will benefit from our programs because the school and organizations we support are all servicing from 50 to 93 percent minorities.”

- Survey respondent

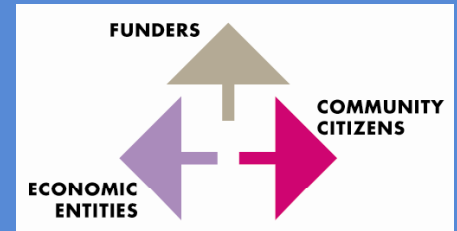
# Thought Starters: Policies and Procedures

- Do you have diversity policies in place?
  - ◆ If so, how do they help you put your diversity principles into everyday practice?
  - ◆ If not, how could they do this?
  
- What are the benefits of specifically measuring the diversity of beneficiary populations?
  
- What are the benefits of collecting diversity data from nonprofits?
  
- How can grantmakers effectively leverage the diversity data we gather?

*Working Towards Diversity IV*

# **CAPACITY BUILDING**

# Capacity building is critical to serving diverse communities

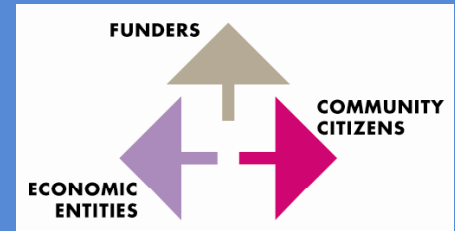


“Systems and institutions should be representative of the communities they serve. Social problems are best solved when those affected participate in defining the challenges and finding the answers.”

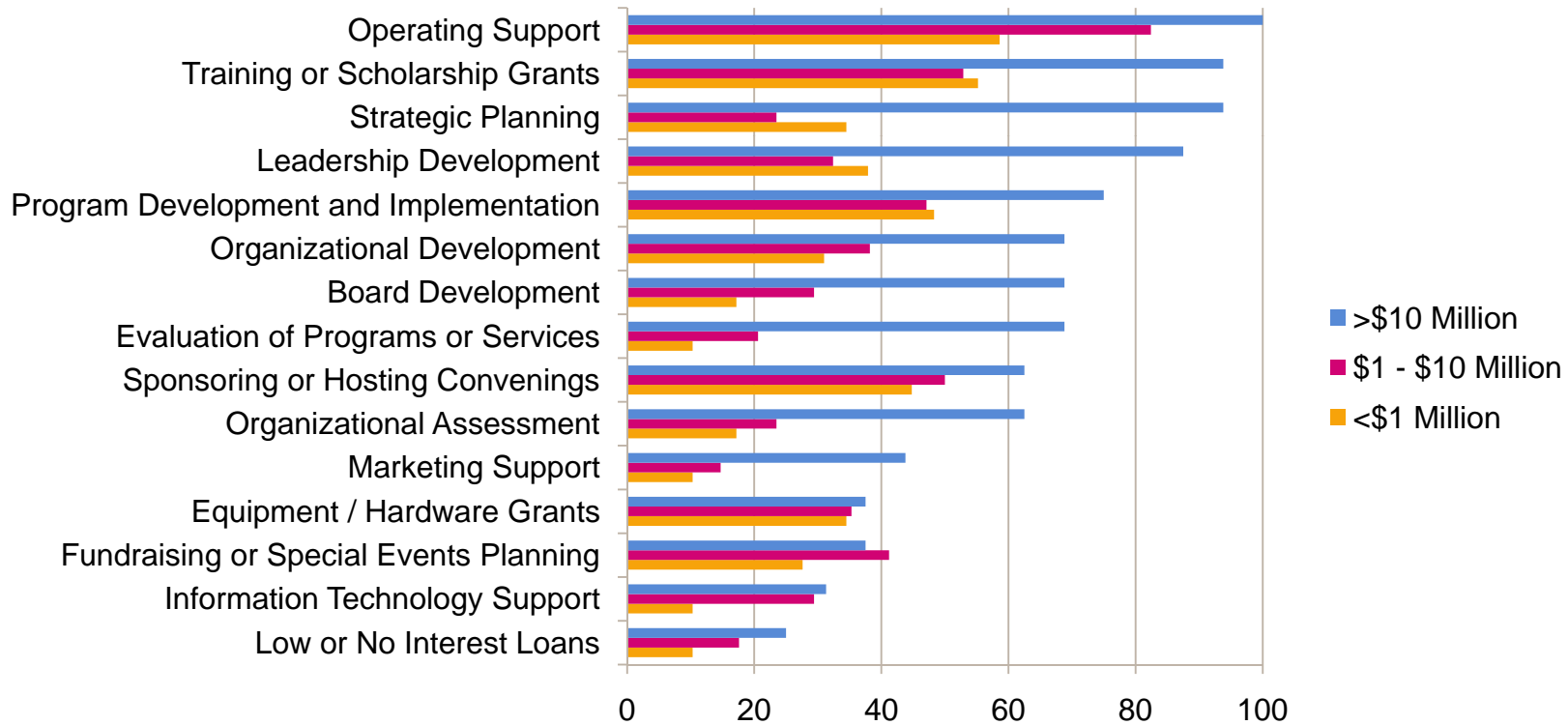
- *Survey respondent*

- Constituent-led nonprofits may be **uniquely positioned** to provide services within a particular community
- But they **may not have the capacity** to seek funding or to meet various non-diversity-related requirements within grantmakers’ guidelines
- **Grantmakers can make a true difference** when they intentionally seek to close that capacity gap

# Most grantmakers provide some capacity building



**Percentage of Minnesota grantmakers supporting selected capacity-building activities, by grantmaker size**



Source: Minnesota Council on Foundations, *Working Towards Diversity IV*, 2011

# Thought Starters: Capacity Building

- As you consider the many types of capacity building support grantmakers can offer nonprofits, which has your organization found most effective?
- 
- How do capacity building activities fit in with your organization's mission?
- Are there organizations that you support who you think could be more effective with increased support for capacity building?
- How can grantmakers work together to build the capacity of constituent-led organizations?

*Working Towards Diversity IV*

# **EMBRACING DIVERSITY AND INCLUSION**

# All grantmaker types can embrace diversity and inclusion



In our sample, we saw:

- **Small** grantmakers with racially/ethnically diverse staffs
- **Independent** grantmakers with racially/ethnically diverse board chairs
- **Corporate** grantmakers with racially/ethnically diverse chief executives
- Grantmakers in **greater Minnesota** with racially/ethnically diverse chief executives and board members
- **Community and public** grantmakers with board, staff, and vendor diversity policies
- **Family** grantmakers collecting demographic data collected to inform grantmaking
- **Small grantmakers** committed to capacity building

# Pragmatic efforts contribute to success



## ■ Successful efforts to embrace inclusive efforts:

- ◆ Programmatic efforts by all types of grantmakers
  - ▶ New targeted grants
  - ▶ Seeking funds from other funders for targeted programming
- ◆ Open discussions among board members, staff, partners and constituents about diversity and inclusion successes and failures

## ■ Challenges to progress:

- ◆ Internally-developed training
- ◆ Retention and full engagement of diverse board members when recruited without a focus on inclusion
- ◆ Measurement

# Thought Starters: Embracing Diversity and Inclusion

- What does the research tell us about the differences in addressing diversity and inclusion for large and small grantmakers? What about differences in grantmaker type (community/public, family, corporate, independent)?
- How can you use measurement and benchmarking to help advance diversity and inclusion in your organization?
- What does commitment to diversity and inclusion look like to you? How might it look to staff members, grantees or constituents?
- How can you gather and use feedback from constituents and grantees to help shape your diversity and inclusion strategy?

## Questions for discussion

- Now that you've reviewed the results, what role can you and your organization play in impacting the field's diversity and inclusivity?
- How does the state of diversity and inclusion in the field impact our collective efforts to drive effective philanthropy?

## Next Steps

- This presentation, along with a draft of the full research findings, will be posted to the MCF website: <http://www.mcf.org/research/diversity>
- In your Action Kit are questions to think about as you review the research
- Please send us your comments and help us continue this conversation!

# Thank you

- Our sponsors:

**Minnesota Community Foundation and The Saint Paul Foundation  
Northwest Area Foundation  
Blandin Foundation  
Blue Cross and Blue Shield of Minnesota Foundation  
Mayo Clinic**

- Members of the Committee on Inclusivity and the Diversity Research Task Force
- Study participants