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THE GOVERNANCE GAP

Examining Diversity and Equity on Nonprofit Boards of Directors

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KOYA | LEADERSHIP
PARTNERS



CONTENTS

- 3 INTRODUCTION
- 5 THE GOVERNANCE GAP SURVEY
- 8 THE CASE FOR DIVERSITY AND INCLUSION
- 9 SURVEY FINDINGS
- 21 DOES FUNDRAISING OVERRIDE DIVERSITY?
- 22 A CALL TO ACTION: BOARDS CAN AND MUST LEAD THE WAY
- 27 BOARD RECRUITING STRATEGIES
- 31 CONCLUSION
- 32 GLOSSARY OF TERMS
- 34 SELECTED SURVEY QUESTIONS
- 37 ENDNOTES
- 39 ACKNOWLEDGMENTS
- 39 ABOUT THE AUTHORS & CONTRIBUTORS
- 41 ABOUT KOYA LEADERSHIP PARTNERS



INTRODUCTION

The Governance Gap survey and this accompanying report are the results of a single, simple premise: to build a truly diverse and inclusive nonprofit sector that reflects the realities of population demographics and the clients that so many organizations serve, you have to start at the top, with their boards of directors.

The overall lack of diversity in the nonprofit sector is a well-known issue. We conducted a study in 2014 entitled *From Intention to Action: Building Diverse Leadership Teams in Education to Deepen Impact*, which examined diversity and inclusion in education reform organizations. Our findings in that study were aligned with all documented national trends: staff at nonprofit organizations are not diverse, especially at senior levels.

Our goal with this study was to turn the focus to a different, but critical, group of stakeholders: boards of directors. Boards are the governing bodies of the nonprofit sector. They are ultimately responsible for organizational success, from managing

finances to fundraising to ensuring that the organizations they serve are achieving their missions in the most effective way possible.

But unfortunately, as the nonprofit sector has become more aware of its lack of diversity and inclusion and as organizations take steps to become more diverse, boards of directors have significantly lagged behind. According to a 2017 BoardSource survey, the number of people of color on boards was under 20 percent. In its report, *Leading with Intent*, BoardSource says, “Since BoardSource began tracking diversity data through this study, the levels of board diversity have largely remained unchanged, with people

of color and ethnic minorities never representing more than 18 percent of board membership.”¹ The rate of change is just not fast enough.

As executive recruiters focused on the nonprofit space, we have years of experience working with boards of directors, who often come to us for help hiring a CEO or executive director. Time and again, our board clients tell us that it’s critically important to build a diverse pool of candidates and that they want to hire a CEO or executive director who is representative of diversity in some way. But we’ve seen how difficult it is for boards and organizations that aren’t diverse or inclusive to recruit and retain leaders of color. Boards that are overwhelmingly homogeneous are often not even aware of how their composition affects their ability to effectively attract or assess candidates with different backgrounds and experiences.

So why haven’t boards of directors changed? Our Governance Gap survey shows that it’s not because of a lack of awareness or caring. In fact, 90 percent of the board members we surveyed reported that board diversity is critical. Clearly, a gap exists between understanding and action. Our survey indicates that **boards are well aware of the importance of diversity and inclusion, and they want to become more diverse, but they lack the knowledge, skills, resources, and genuine commitment to change required to turn that awareness into action.**

With this report, we aim to provide an overview of the current state of diversity on boards, but even more importantly, we offer actionable steps that boards can take, starting today, to increase diversity and inclusion.



A Note on Language and Terminology

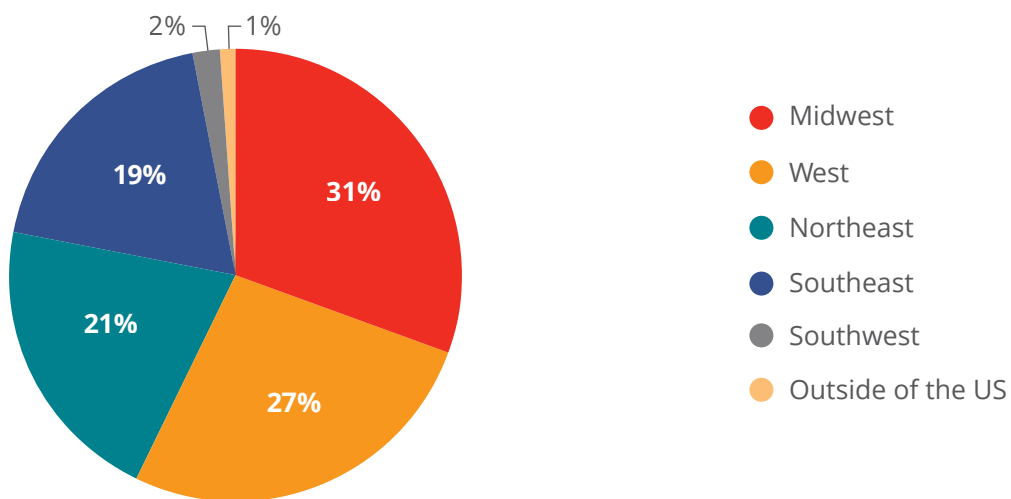
Language matters in every context and scenario, but it’s particularly important when it comes to conversations about diversity and inclusion. Productive conversations begin with ensuring that all parties are operating with the same understanding and definitions of key terms. To that end, we want to explicitly define the terms used in the survey and this accompanying report. We have included a glossary of terms on page 32 that was developed in 2015 by the organization Race Forward.

THE GOVERNANCE GAP SURVEY

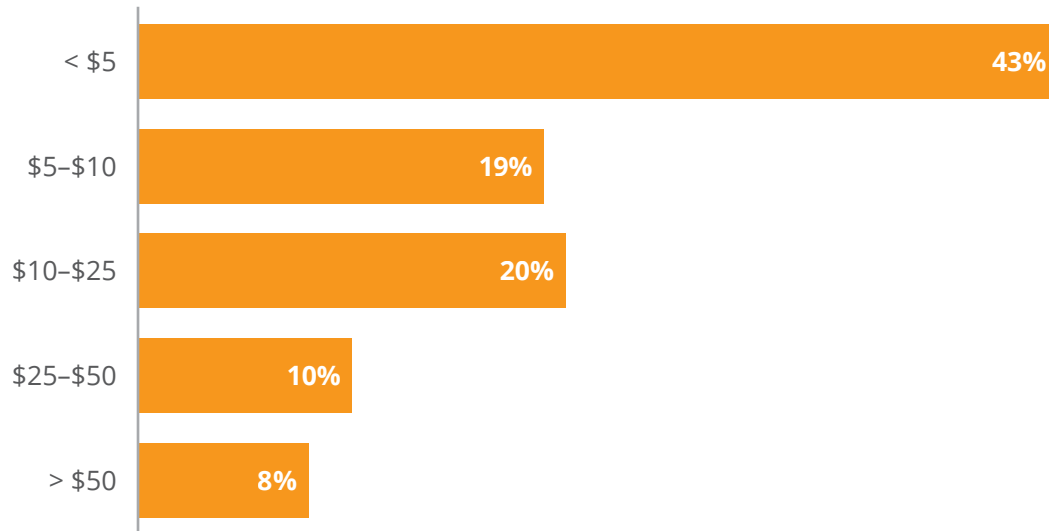
We conducted an online survey of 102 nonprofit boards of directors. The questions focused on board composition and demographics; board activities; and members' understanding of diversity and inclusion. (See list of survey questions on page 34.) Of the 102 organizations we evaluated, a few did not answer the geography or budget size questions. The number of respondents varies by question.

Some key statistics about the survey participants are illustrated by the following graphs:

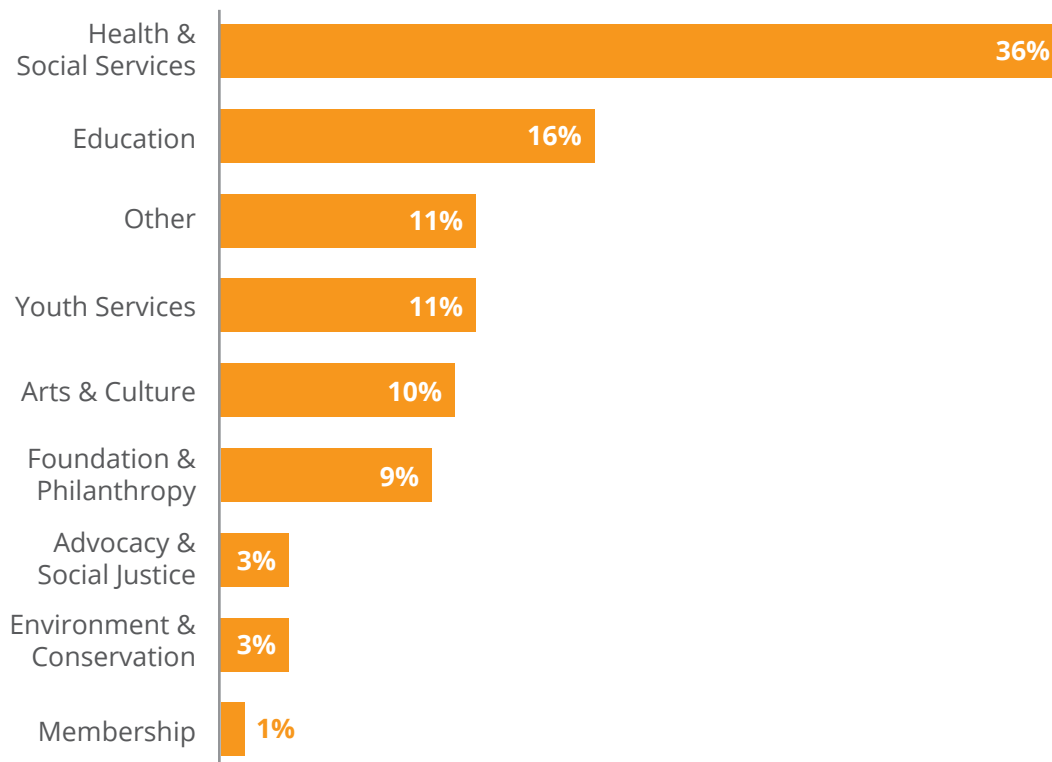
► Geography of Organizations




► Budget of Organizations (in Millions)



► Industry of Organizations





DIVERSITY IS MORE
THAN A QUOTA OR A
NUMBERS GAME.

IT ALSO REQUIRES INCLUSIVE POLICIES,
PRACTICES, AND BEHAVIORS THAT
NURTURE AND VALUE DIFFERENT
PERSPECTIVES AND EXPERIENCES WHEN
CONDUCTING BOARD BUSINESS AND
DISCUSSING STRATEGY.²



THE CASE FOR DIVERSITY AND INCLUSION

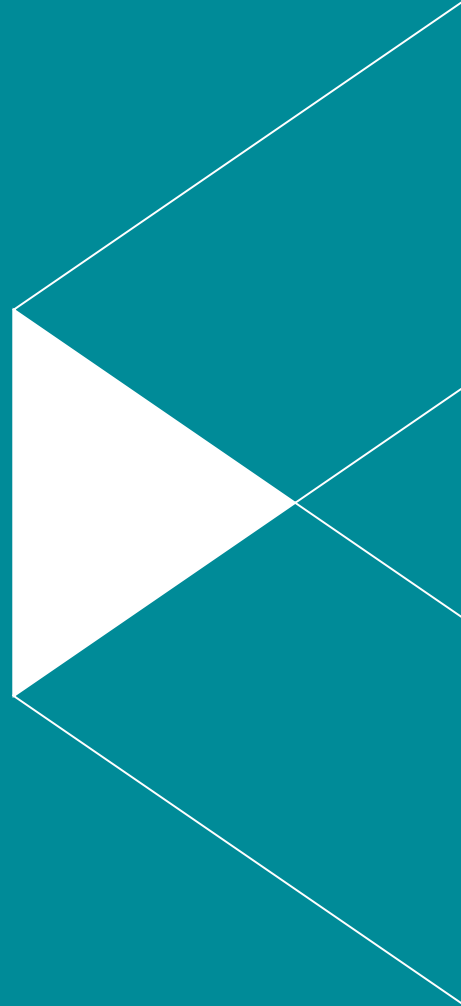
The benefits of diversity and inclusion to groups and organizations are well documented. A compelling “business case” for diversity from the for-profit sector indicates that diversity drives innovation and increases market share. Dozens of studies have shown that diverse companies are more successful in every possible form of measurement. The same is true for nonprofit organizations. Nonprofits that are not diverse and inclusive are not unlocking their full potential. Nonprofits that aren’t diverse at both the staff and board levels are likely missing opportunities to better understand and meet the needs of increasingly diverse clients and stakeholders.

When an organization’s leaders and frontline staff represent the full range of diversity and the organization itself has an inclusive culture, the outcomes will be measurably better: more effective solutions, higher levels of engagement, stronger culture, and deeper, more authentic relationships with partners. In addition to all these benefits, diverse and inclusive organizations have an edge when it comes to recruiting and retaining staff.

“ The fact is that if you want to build teams or organizations capable of innovating, you need diversity. Diversity enhances creativity. It encourages the search for novel information and perspectives, leading to better decision making and problem solving. Diversity can improve the bottom line of companies and lead to unfettered discoveries and breakthrough innovations. Even simply being exposed to diversity can change the way you think.³ ”

With the case for diversity and inclusion so well established, the question remains: why are so many organizations *not* diverse? As the Governance Gap survey reveals, it’s not because of a lack of understanding about why diversity is important. Nor is it a lack of desire to be diverse. **Instead, our survey points to a lack of knowledge, skills, resources, and genuine commitment to change.**

SURVEY FINDINGS

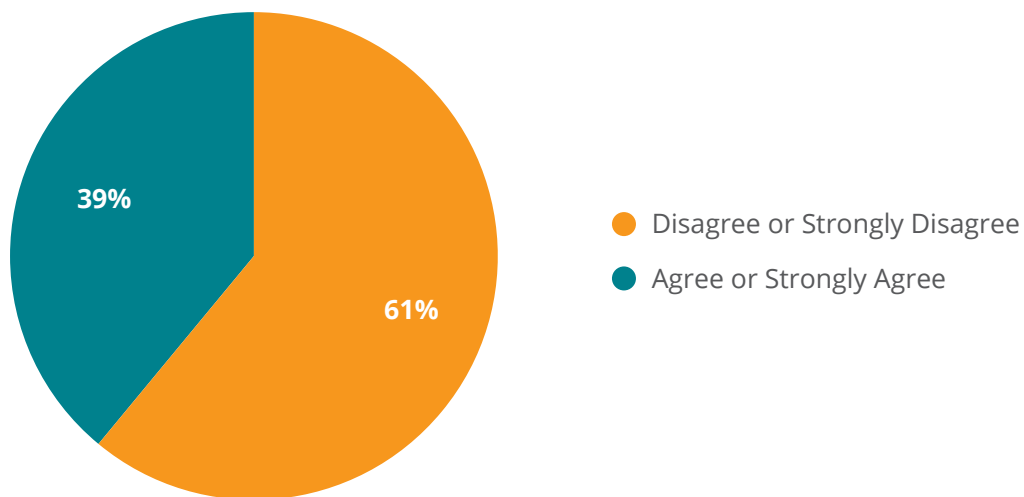


SURVEY FINDING 1

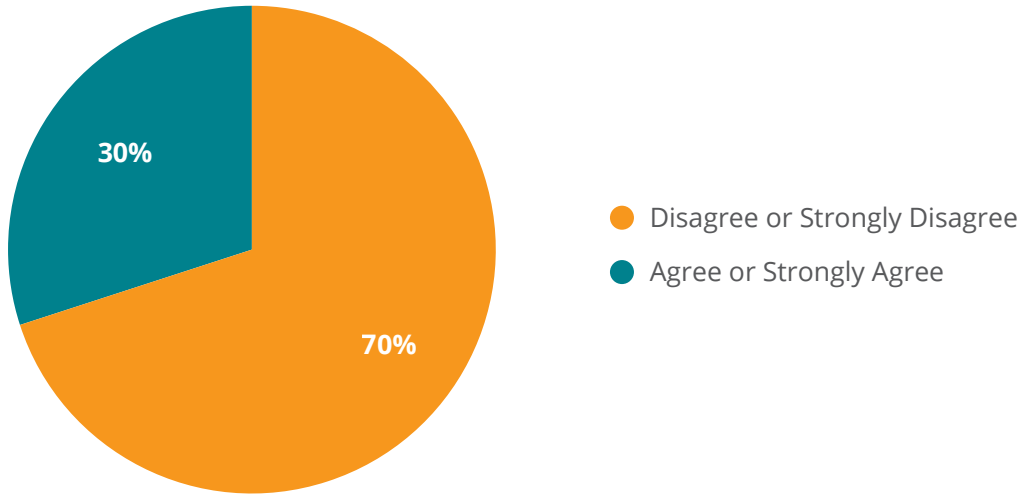
There is a significant gulf between theory and practice when it comes to diversity on boards of directors.

A key finding of this survey is a wide gulf between intention and action. Survey respondents overwhelmingly indicated that diversity is important, but the data on board composition shows that this value has not been translated into action. Other survey data demonstrates that participants recognize and desire the value of diversity.

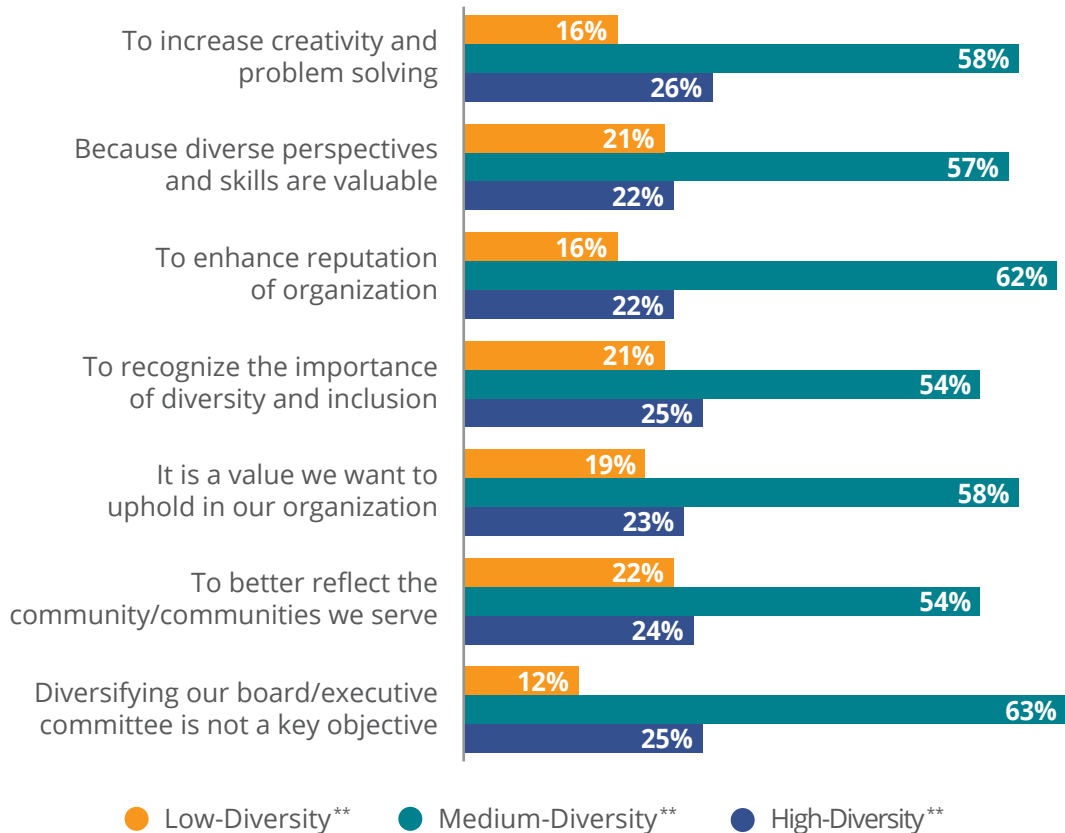
► Does your board/executive committee adequately reflect the community/communities your organization serves?



► Are you content with the current level of diversity and inclusion represented in your board/executive committee?



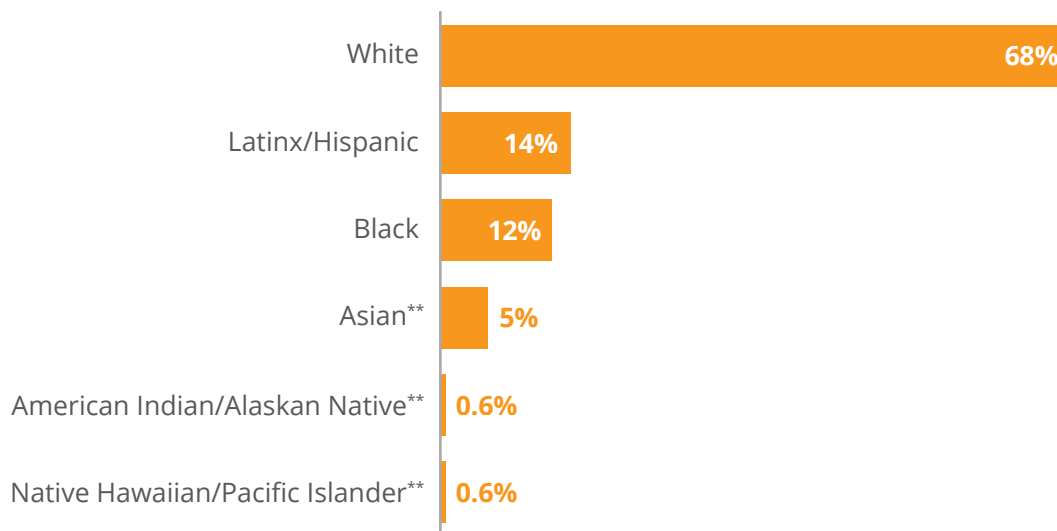
► Is diversifying your board/executive committee a key objective? If so, please select the reason(s) why and check all that apply.*



* Percentage of those who picked that category.
 ** Please refer to page 14 for definitions.

Unfortunately, these sentiments are not reflected in current board composition. Only 24 percent of the board members participating in the Governance Gap survey self-identified as people of color. This percentage is actually high compared to national data. BoardSource's most recent survey reports that 84 percent of board members were white and 27 percent of boards lack a single member of color. Sadly, this is actually a slight increase from 2015, when 80 percent of board members were white and 25 percent of boards lacked a person of color. Despite diversity rhetoric, nonprofits have made no progress in recruiting racial and ethnic minorities. The BoardSource survey found that while 63 percent of organizations say that diversity is a core value, the percentage of people of color on nonprofit boards has not changed in 18 years.⁴

► Racial and Ethnic Makeup of Nonprofit Board/Executive Committee Members*



* Percentages do not add up to 100 due to rounding.

** Asian, American Indian/Alaskan Native, and Native Hawaiian/Pacific Islander groups are under 0.1% of the study sample.



Gaps at Staff and Board Level

People of color are currently 36 percent of the US population and are expected to grow to 50 percent as early as 2042, and become “minority white” by as early as 2045.⁵ According to the Annie E. Casey Foundation, at least 60 percent of nonprofits serve people of color. However, multiple surveys exploring diversity and representation at the staff level show that whites lead 9.5 out of 10 philanthropic organizations. Only 7 percent of nonprofit chief executives and 18 percent of nonprofit employees are people of color.⁶

RACE IN THE US ⁷

Overall US population: 325,719,178

White alone	76.6%
Black or African American alone	13.4%
American Indian/Alaska Native	1.3%
Asian alone	5.8%
Native Hawaiian/Other Pacific Islander alone	0.2%
Two or more races	2.7%
Hispanic or Latinx	18.1%*
White alone, not Hispanic or Latinx	60.7%

* Hispanics may be of any race, and therefore are also included in applicable race categories.

Governance Gap: Index of Diversity

To identify and understand the markers of high- and low-diversity boards of directors, we created an **Index of Diversity**, which separates survey participants into high-, medium-, and low-diversity boards.

High-diversity boards. These organizations are in the top 25 percent in terms of diversity. If any two board members were selected at random, the probability of them differing along either gender or racial lines is at least 60 percent.

Medium-diversity boards. These organizations are between the 25th and 75th percentile. While the chances of selecting two diverse board members are not as high in the medium-diversity organizations, there is still a good chance of blindly selecting two diverse members.

Low-diversity boards. These organizations are in the bottom 25 percent in terms of diversity. Among low-diversity boards, the average Index of Diversity is .142. If two board members were selected at random, the chances of them being diverse are extremely low. Low-diversity boards are overwhelmingly majority white.

Not surprisingly, boards that were classified as having high or medium diversity tended to be more actively engaged in a full range of activities to increase diversity and inclusion. This points to the “virtuous cycle” that is often established when diversity exists: the more diversity that exists among a group of people, the more likely it is to attract more diverse members, to engage in measurable activities to increase diversity, and to establish inclusive and equitable dynamics and culture.

► Racial and Gender Composition of Boards/Executive Committee*

	High-Diversity	Medium-Diversity	Low-Diversity	All Boards
Number of organizations	24	54	24	102
Latinx/Hispanic	2.4	2.2	1.8	2.2
Black	3.0	2.1	0.5	1.9
White	7.5	11.9	12.5	11.0
Asian	1.3	0.9	0.2	0.8
American Indian/Alaskan Native	0.0	0.1	0.0	0.1
Native Hawaiian/Pacific Islander	0.0	0.1	0.0	0.1
Female	7.7	8.6	7.2	8.0
Male	6.5	8.8	7.9	8.0
Average Number of Board/Executive Committee Members	14.2	17.3	15.1	16.1

* Numbers represent the average number of representatives from each racial/ethnic/gender category.

One interesting finding from the Index of Diversity relates to gender. Low-, medium-, and high-diversity boards all showed a lack of gender disparity, with high-diversity boards reporting more women than men. Though this does not advance racial equity, it does indicate the presence of gender equity.

SURVEY FINDING **2**

Boards are not taking proactive steps to increase diversity.

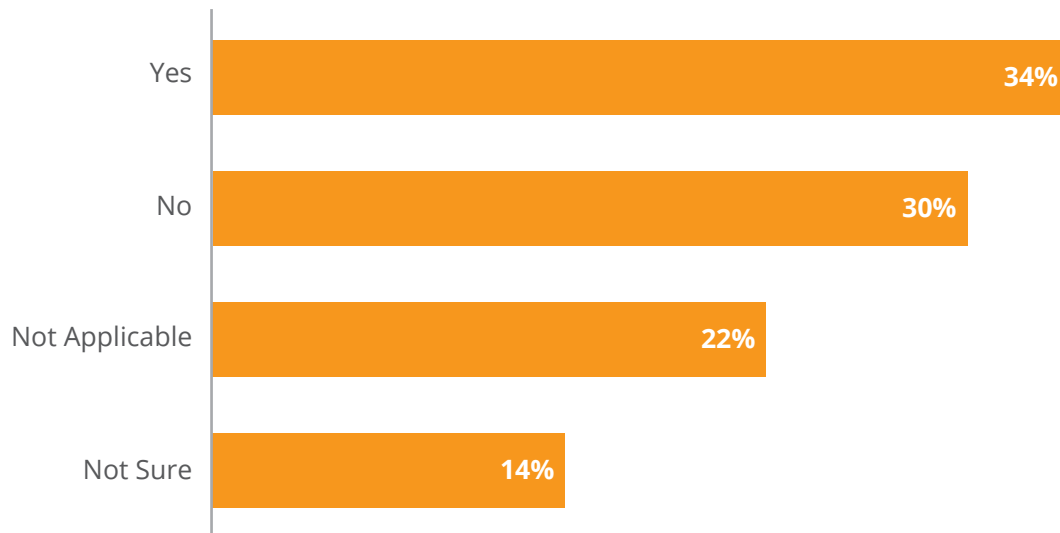
Despite clearly understanding and believing in the benefits of a diverse board of directors, few survey respondents are taking proactive steps to increase the diversity of their boards or to create more inclusive board cultures.

Fewer than 50 percent of survey respondents reported any action at all in relation to increasing diversity representation on their boards.

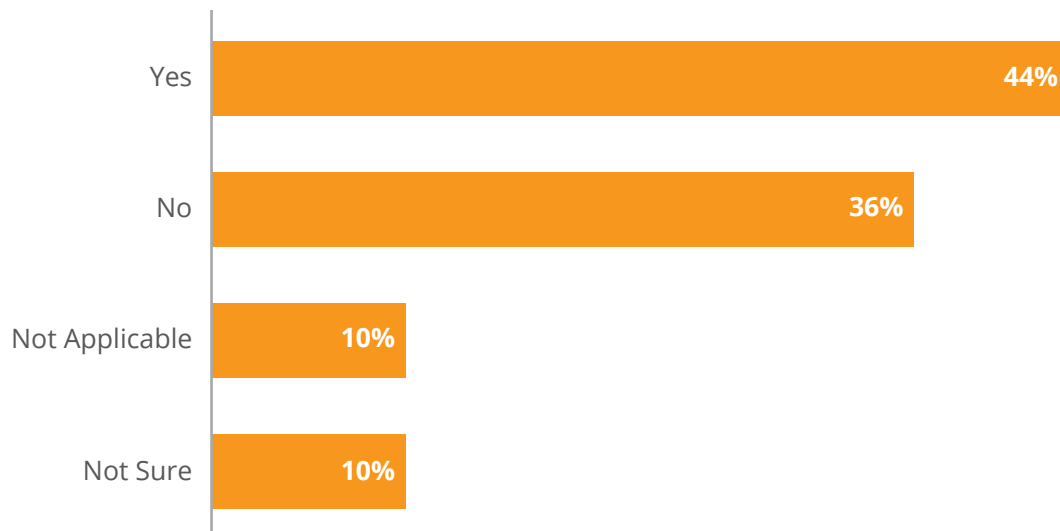
► **Does the board/executive committee have a written statement/policy on diversity and inclusion of board membership?**



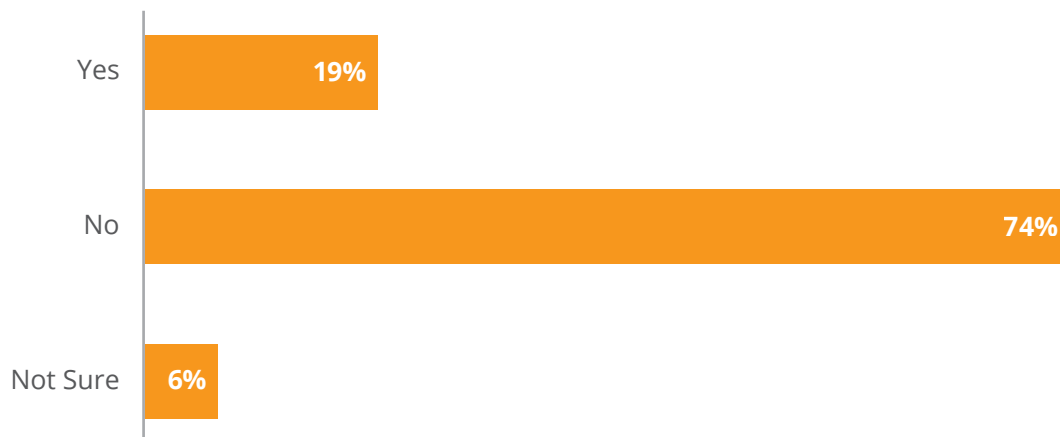
► Does the board/executive committee tie its diversity and inclusion goals to the overall strategic plan of the organization?



► Does the board/executive committee evaluate its own diversity and inclusion efforts?



► Does the organization make diversity and inclusion training available to its board/executive committee?*



* Percentages do not add up to 100 due to rounding.



Diversity at the Leadership Level

The lack of diversity at the board level demonstrated in this survey is mirrored by nonprofit employment data. Studies show that the percentage of people of color in the executive director/CEO role has remained at under 20 percent for the last 15 years, even as the country has become more diverse. *Race to Lead*,⁸ a report released by the Building Movement Project, examines the reasons for this lack of progress. Researchers found that conventional beliefs about why there is a lack of diversity in leadership levels—a lack of qualified people of color interested in leadership advancement and an ongoing trend of qualified people of color leaving the nonprofit sector—are simply not true.

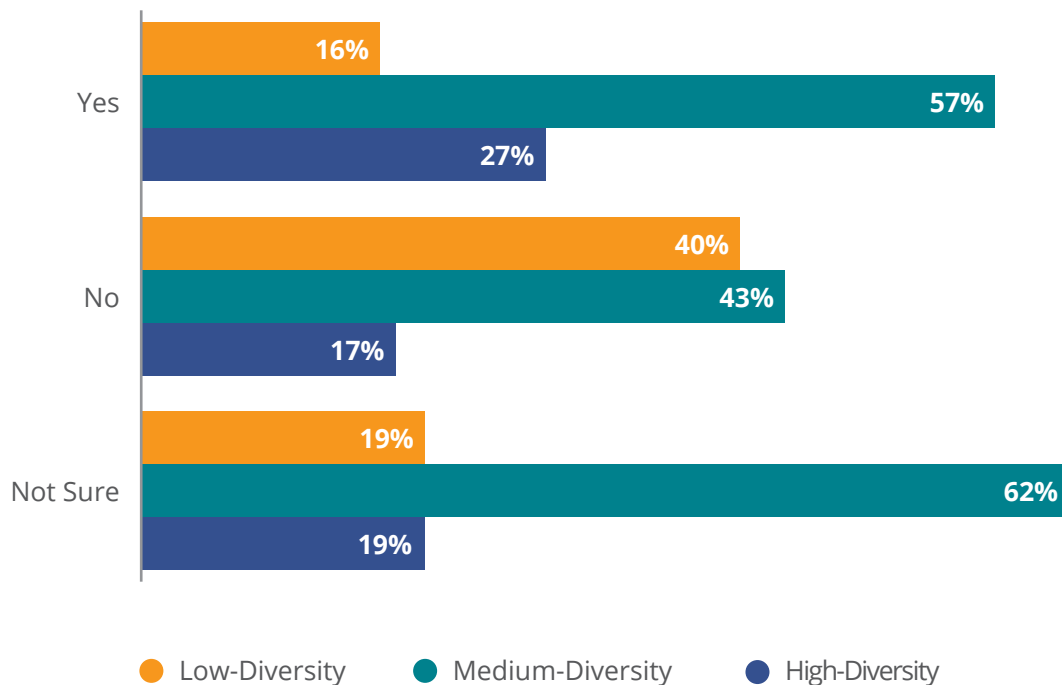
Nonprofit organizations—and the boards that govern them—must play a key role in breaking down systemic barriers and creating an inclusive, more equitable nonprofit sector. Boards can and must lead the way, and it begins with their own internal composition and practices.

SURVEY FINDING **3**

The lack of effective board recruiting strategies is a significant challenge.

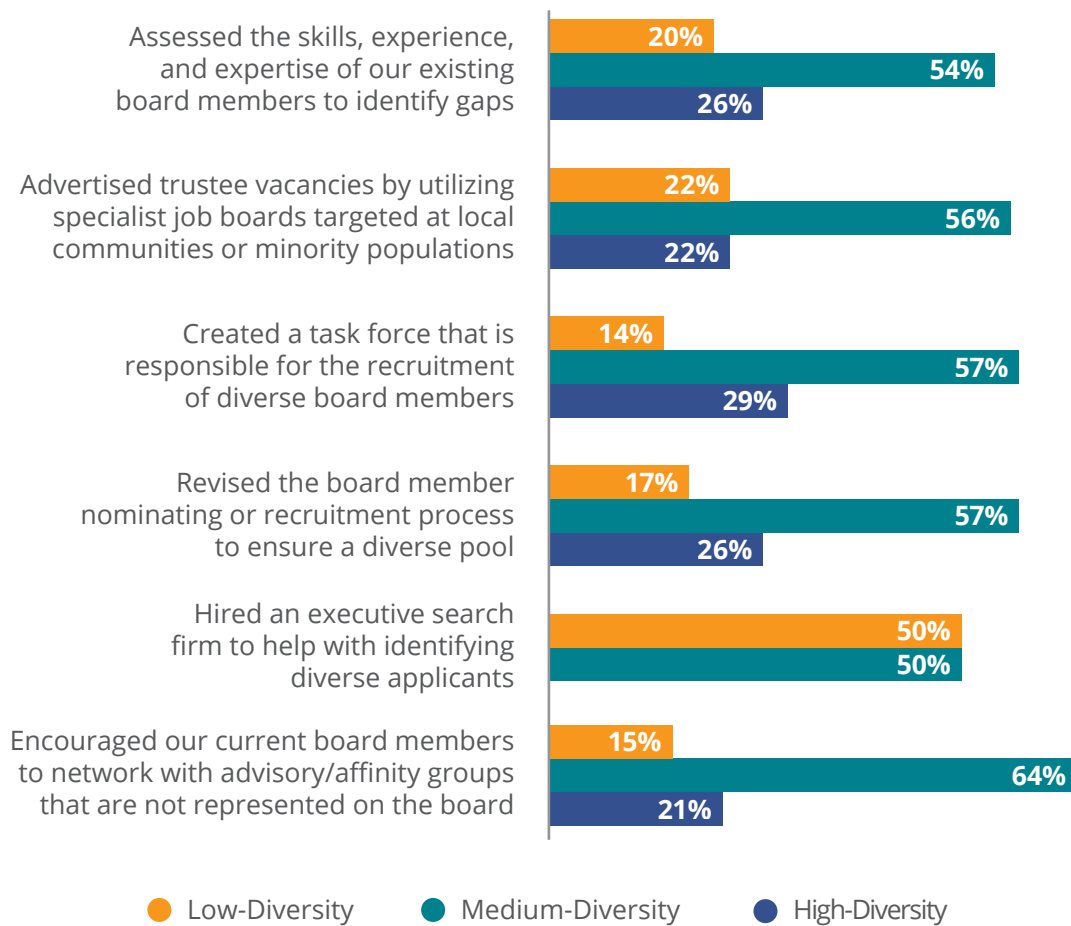
Few of the respondents reported that their boards are engaging in effective recruiting strategies. Less than half engage in any diversity recruiting strategies at all, and of those that do, most were classified as high diversity at the onset.

► Has your board/executive committee implemented recruiting efforts designed to attract members of diverse backgrounds?



For the organizations that did report implementing recruiting strategies with diversity in mind, the majority are relying on two methods: (1) assessing the skills, experience, and expertise of existing board members to identify gaps and (2) networking.

► Which of the following methods has your board/executive committee used to attract members of diverse backgrounds?*



* Percentage of those who picked that category.

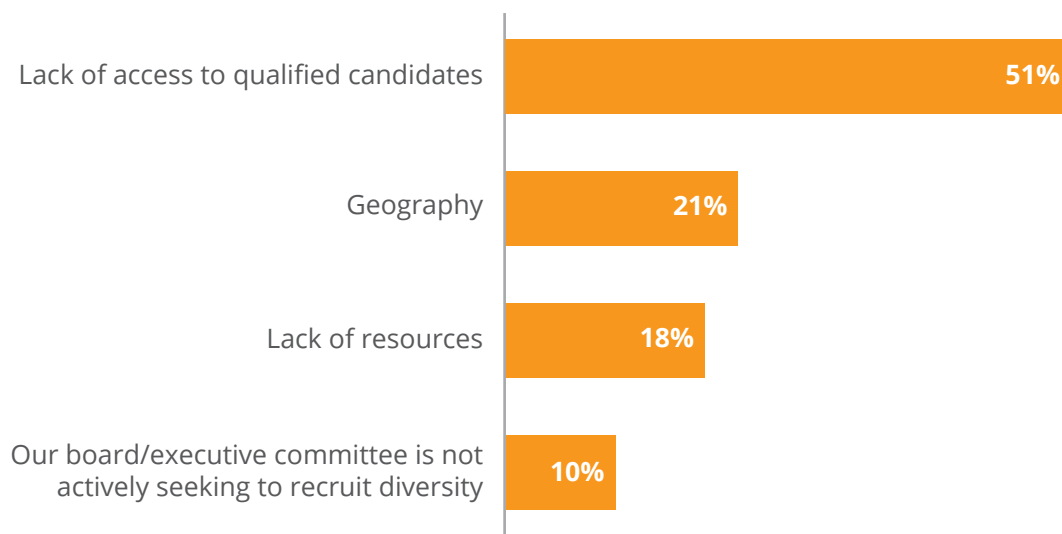
These two methods are good starting points, but neither is an effective, sustainable strategy for building board diversity. Assessing existing board members for skills and experience to identify gaps is important for ensuring a diversity of *skills* on a board of directors, but by not including other forms of diversity in these assessments, such as race, socioeconomic background, gender, and geographic representation, boards are missing a key opportunity to set recruiting goals that include more than just skill-set diversity.

The second recruiting strategy many boards rely on is tapping current board members' personal and professional networks to recruit new members. Unfortunately, this often extends a lack of diversity because an individual's personal network tends to mirror his or her race and socioeconomic status.

Research shows that most people's social networks are racially homogeneous. The 2013 *American Values Survey* by the Public Religion Research Institute found that 91 percent of white Americans' social networks consist of other white Americans.⁹ When you factor in the fact that white people constitute the majority of nonprofit board members, you can see how networking perpetuates a lack of diversity: white board members are likely to recruit other white board members.

It is imperative that boards of directors recognize the flaws inherent in relying on networking alone as a recruiting strategy. In the recommendations section of this report, we include several suggestions for expanding board members' networks.

► **What obstacles to recruiting diverse members has the board/ executive committee encountered?**



DOES FUNDRAISING OVERRIDE DIVERSITY?

Several survey participants mentioned that their boards prioritized fundraising responsibilities over working on strategies to increase diversity. One respondent stated that access to wealth was the most important priority for board members, which, unfortunately, precluded adding board members of color.

It is true that people of color have less wealth than whites in America. A 2017 study by the Economic Policy Institute found that the racial wealth gap is *much larger than the wage or income gap by race*: “Average wealth for white families is seven times higher than average wealth for black families. Worse still, median white wealth (wealth for the family in the exact middle of the overall distribution—wealthier than half of all families and less-wealthy than half) is *twelve times* higher than median black wealth.”¹⁰ While this particular study focused on black Americans, these wealth inequities exist for all people of color.

However, the notion that there simply aren’t people of color with both the passion and the means to be effective board members is untrue. It may be more difficult to identify these individuals, and even more difficult still to ensure that your organization is in a position to attract and engage them, but they do exist. The action steps outlined on page 27 of this report can help your organization begin this work.



A CALL TO ACTION: BOARDS CAN AND MUST LEAD THE WAY

The **Governance Gap** survey and the accompanying interviews with board members make it clear that boards have both a responsibility and an opportunity when it comes to increasing diversity. The survey and other data available about board composition also indicate that boards need help in the form of actionable steps and strategies for increasing diversity and inclusion. To that end, we present the following series of recommendations. These are action steps that any board, of any organization, can take, starting immediately.

► **Start with shared awareness and understanding.**

Rather than immediately leaping into the action of recruiting new board members, it may be helpful to take a step back and have an open conversation about why diversity is important for the board and the organization that you serve as board members. Becoming a more diverse and inclusive organization or board requires growth and awareness on both a personal and an organizational level. It's critical to recognize that every individual on your board may come to the table with a different understanding of what diversity means, a different vocabulary for talking about these issues, and a different level of personal awareness of their own biases. You could start building shared understanding by reading this report, or any of the other resources referenced throughout this report, and then discussing it together. The goal of this conversation, and the many that will need to follow, is to build understanding and ultimately commitment to the work that is required to increase diversity, equity, and inclusion on your board.

BUCK INSTITUTE FOR EDUCATION

Buck Institute for Education (BIE) is a national nonprofit focused on helping teachers prepare students for successful lives through project-based learning, a teaching method in which students gain knowledge and skills by working for an extended period of time to investigate and respond to an authentic, engaging, and complex question, problem, or challenge.

BIE's board of directors and executive director have recently led the organization through a strategic planning process that is centered on equity as a core goal for the organization. "In order for us to be able to serve our partners in that venture, we are aware that we have to do our own work at every level of our organization about what it means to focus on diversity and inclusion both personally and organizationally," says Executive Director Bob Lenz. "We as a board had to open ourselves up to thinking about our own learning about what that means. It started with a reflection of looking at who was in the room and who wasn't."

After investing in diversity, equity, and inclusion trainings with outside consultants, the board changed the way it evaluates and recruits board members and has focused on learning as a key step in its journey to becoming more diverse. The board read the book *Between the World and Me* by Ta-Nehisi Coates and discussed it as a group. They created a Learning Committee that is focused on ensuring that board learning is conducted with an equity lens. Board members have participated in daylong seminars and multiple conversations about race and equity, and they refined recruitment goals and strategies to reflect a commitment to diversifying the board.

While Lenz is clear that they still have a long way to go, the board's commitment and hard work have begun to bear fruit. In the last year, BIE welcomed three people of color to its board. "We're making progress because we've pushed people outside of their main networks, and we've leveraged the networks of the people of color we do have. You have to be committed to that. It's tough, but it's necessary," Lenz says.

“ Discussing race, culture, ethnicity, gender, and even age and generational issues in the boardroom may ignite personal awareness and, for some, discomfort. The simple truth is, most people develop prejudices and stereotypes from friends and family at a very early age. To think about diversity objectively requires intellect, energy, integrity, and time. Your board members must consider if they are ready as individuals and as a group to identify, confront, and work to eliminate their personal biases, blind spots, and prejudices as well as those embedded in the board and organization’s culture.¹¹ ”

► **Seek help.**

Outside training can be extremely useful for boards. A consultant or group of consultants can help lead your board through a process of self-evaluation, learning, and goal-setting in a much more productive and efficient way than you can do on your own. A number of consultants and groups offer this service nationally; a good place to start finding experts is through your local nonprofit association or community foundation.

If your board is unable to hire a consultant, you can still get outside advice and expertise. Look at other boards in your community. Are any particularly diverse? If so, reach out to the board chair and ask for an informational meeting. Most people involved in diversity and inclusion work are more than happy to talk about the work they’ve done and to share advice and ideas with others.

► **Create accountability.**

Go beyond the traditional nominating committee structure, and create a task force or committee focused on diversity and inclusion efforts that are broader than just floating names of potential board members. Task the committee or task force with developing a comprehensive plan for increasing diversity and inclusion. Make sure the group has clear deliverables and deadlines.

“ Boards that assess their performance regularly perform better on core responsibilities. Boards that assess themselves get higher grades across all areas of board performance. Emphasizing the importance of regular board assessment, boards that assessed their performance more recently (within the past two years) report higher performance scores than those that assessed less recently.¹² ”

COMMUNITY VOICES HEARD

Community Voices Heard (CVH) is a member-led, multiracial organization, consisting principally of women of color and low-income families in New York State, that builds power to secure social, economic, and racial justice for all. CVH accomplishes this through grassroots organizing, leadership development, policy changes, and the creation of new models of direct democracy.

Because CVH's mission is explicitly focused on building power for women and low-income families, diversity, equity, and inclusion (DEI) are integrated into just about everything the organization does, including its board of directors. Some of their strategies could be adopted at any organization seeking to increase DEI.

"What's unique about our board," says member Alexa Kasdan, "is that by our by-laws it has to be three-quarters composed of our membership, which is low-income people of color. So by law our board is representative of our constituency."

Here are other practical tips from Kasdan and the CVH board:

- ▶ Make sure that meetings are at times and in locations that work for all. Not everyone can get across town in the middle of a workday or take a day off to attend a meeting.
- ▶ Understand that diversity itself doesn't necessarily lead to equity. If your board is diverse, that's wonderful. Is your executive committee equally diverse? Who is making decisions?
- ▶ Build a board culture. Take the time to go on retreats and to really get to know one another so there is open dialogue and the foundational relationships required for everyone to feel comfortable speaking up and voicing their opinions.
- ▶ Consider the process for joining the board. Are you looking to just tick off boxes, or does your process really dig in to ensure alignment with the mission? If you're just ticking off boxes, you run the danger of adding token board members who are there because of what they represent, which can be damaging.

► **Put it in writing.**

Your board may decide that a general commitment to diversity is the right first step, or you may decide to be more specific and bring on two or three new people of color in the next year. You may decide to participate in training or to read a book together as a learning exercise. Whatever you decide to do, put it in writing, give it an owner, and give it a deadline. Report on progress toward these goals at every board meeting.

► **Review your board's policies and procedures.**

Ensure that your policies and procedures reflect an inclusive culture. For example, if your board has a fundraising requirement that may preclude a wider range of individuals from joining, can it be revised? Are meetings held during times that are convenient for busy professionals? Does board membership entail extensive—and expensive—travel requirements? Are decisions made in a transparent, consensus-driven manner? An honest and thorough examination of the way your board conducts itself and the policies and procedures it follows can be a critical step toward becoming more inclusive. Remember that this work is not a one-time effort that ends when you bring in new board members. The process of becoming inclusive is ongoing and long-term.



What Makes a Board Inclusive?

Six behaviors, we have found, unlock innovation across the board: ensuring that everyone is heard; making it safe to propose novel ideas; giving team members decision-making authority; sharing credit for success; giving actionable feedback; and implementing feedback from the team. Leaders who give diverse voices equal airtime are nearly twice as likely as others to unleash value-driving insights, and employees in a 'speak up' culture are 3.5 times as likely to contribute their full innovative potential.¹³



BOARD RECRUITING STRATEGIES

Our survey results are clear: Board members know they need to diversify but they don't know how. In the following section we have collated a series of actionable steps any board can take to begin the process of becoming more diverse and inclusive. All of these suggestions are relatively straightforward to implement, and have produced results.



It's Not Just Who You Ask, But How You Ask

Selecting board members of color who do not have the skills or characteristics that match your board's needs can result in disappointment and frustration all around. Like all candidates, people of color should be asked to serve on your board because they have capabilities that will advance the organization. Instead of asking people in your network a generic question like "Do you know of any people of color who might serve on our board of directors?" be explicit about what you're looking for: "Our board is looking for people with financial skills from the human resources arena. We're also seeking to increase our diversity. Do you know any people of color with experience in finance or HR whom I could contact about serving on our board?"¹⁴

There are several recruiting strategies your board might want to consider.

▶ **Evaluate your current board composition.**

A basic board matrix that takes demographics into account, such as boardsource.org/board-recruitment-matrix, is a good starting place for understanding who is represented on your board and who is not.

▶ **Create a fully articulated recruiting strategy.**

Identify what you need, when you need it, and how you will achieve your goals. For example, if you know that three board members will be cycling off the board in the next year, you will likely need to identify three to five potential board members. Commit to developing a slate of board candidates that is 50 percent people of color. Set a deadline, and identify the strategies you will leverage to achieve your goals.



The Rooney Rule

The Rooney Rule, which was developed in the National Football League in 2003, is named after the league's former diversity committee chairman, Dan Rooney. It has since been adopted by Uber and other organizations seeking to diversify, particularly in the tech space. The Rooney Rule requires that teams interview a candidate of color before making any senior coaching hires. The guideline is easily extended to any hiring or appointment process and can be a simple way to begin to set goals and guidelines.¹⁵

▶ **Try new recruiting strategies.**

As discussed earlier in this report, first-degree networking is not an effective strategy for building diverse boards. You and your fellow board members may need to move beyond your comfort zone and your immediate circle of contacts to identify new board members. Here are some strategies for making that happen:

Identify local and national resources for recruiting. Some communities have local resources that help place volunteers with nonprofit organizations. Your local United Way, community foundation, chamber of commerce, and faith communities can

also be excellent networks to tap into. Local and regional leadership development networks—such as Coro (a national organization that trains ethical, diverse civic leaders), the NAACP Young Professional Network, and the Young Nonprofit Professional Network (YNPN)—are all good places to build connections and potential pipelines of board candidates. It's also a good idea to contact your state's association of nonprofits to understand what additional resources may be available. Other local and regional resources include professional and trade associations, local universities and colleges, and executive leadership programs. Nationally, BoardNetUSA is a good place to post your board position to attract potential candidates who go beyond "the usual suspects."

Ask staff. Though it may sound obvious, it's rare for boards to ask staff members for input on potential board members. But staff are on the front lines with volunteers; they know who has dedicated their time and energy, and who is an effective and productive volunteer. Bringing staff into the process of diversifying the board can also be useful in other ways. It can help staff see the board's commitment and action, create new connections between the board and staff, and bring new ideas to the table.

Curate a one-time nominating meeting. Rather than allowing names to be floated loosely, organize a one-time meeting solely focused on identifying prospective board members. Identify 5 to 20 people who are connected to communities of color in your area and aren't already actively engaged with your organization, and invite them to a breakfast or after-work event. Give them details in advance about why you are inviting them, what you are asking them to do (open their networks), and what you are looking for in board candidates: *We are working to diversify our board and are seeking candidates of color with particular skills in these areas. Would you come to a meeting with our executive director and board members to help us think about how to do this?* Examples of people you might invite include funders, community leaders, other nonprofit executives, elected officials, and representatives from local faith communities. Ask each person to suggest three potential board candidates, and ask if they would be willing to make the connection or if you can use their name when you follow up.



Avoid Tokenism

Tokenism is the practice of making a symbolic effort to do something, particularly recruiting a small number of people from underrepresented groups to create the appearance of diversity and equality. Few boards consciously engage in tokenism, but it can happen as boards slowly begin to diversify. Remember that no board member wants to fill a quota, and no one person is able to represent an entire subsection of the population. By focusing not just on *who* you want board members to be but also *what* you want them to do, you can help your board avoid tokenism.

▶ **Consider bringing new board members of color on in small groups rather than singly.**

This can be especially helpful for low-diversity boards. People of color in the nonprofit sector at both staff and board levels typically don't have peers of color, which can be both isolating and burdensome. They often report feeling as if they are put into the position of representing their entire race or community.

▶ **Make room for board members in training.**

Create subcommittees or advisory boards that include community members and stakeholders who aren't full-fledged board members but may be in time, and ensure that these small groups are diverse. This is an excellent way to build a more diverse network for support at the board level and a pipeline for board recruiting in the future.



CONCLUSION

This is a moment of tremendous opportunity for boards of directors.

There can be no doubt that a diverse board has immense benefits, to both the organization and all of its stakeholders. And it is clear that boards of directors must play a critical, leading role in ensuring that the nonprofit sector mirrors the overall population as well as the people and communities they serve.

We hope the findings and recommendations in this report spark conversation—and, more importantly, action—on boards. There is much that every board member can do, starting right now, to help build a more representative, equitable, and inclusive organization and nonprofit sector.

GLOSSARY OF TERMS

All of the definitions below with the exception of the first are reprinted from the *Race Reporting Guide*,¹⁶ created by Race Forward, an organization whose mission is “to build awareness, solutions, and leadership for racial justice by generating transformative ideas, information, and experiences.” We have found the *Race Reporting Guide* to be a helpful resource for talking and writing about these issues.

DEI. This acronym refers to diversity, equity, and inclusion, which are often referred to as a linked set of terms.

Diversity. There are many kinds of diversity, based on race, gender, sexual orientation, class, age, country of origin, education, religion, geography, physical, or cognitive abilities. Valuing diversity means recognizing differences between people, acknowledging that these differences are a valued asset, and striving for diverse representation as a critical step towards equity.

Equity. Equity means fairness and justice and focuses on outcomes that are most appropriate for a given group, recognizing different challenges, needs, and histories. It is distinct from diversity, which can simply mean variety (the presence of individuals with various identities). It is also not equality, or “same treatment,” which doesn’t take differing needs or disparate outcomes into account. Systemic equity involves a robust system and dynamic process consciously designed to create, support and sustain social justice.

Implicit bias/unconscious bias. Attitudes that unconsciously affect our decisions and actions. People often think of bias as intentional, i.e. someone wanted to say something racist. However, brain science has shown that people are often unaware of their bias, and the concept of implicit bias helps describe a lot of contemporary racist acts that may not be overt or intentional. Implicit bias is just as harmful, so it is important to talk about race explicitly and to take steps to address it. Institutions are composed of individuals whose biases are replicated, and then produce systemic inequities. It is possible to interrupt implicit bias by adding steps to decision-making processes that thoughtfully consider and address racial impacts.

Inclusion. Being included within a group or structure. More than simply diversity and quantitative representation, inclusion involves authentic and empowered participation, with a true sense of belonging and full access to opportunities.

People of color. Often the preferred collective term for referring to non-White racial groups, rather than “minorities.” Racial justice advocates have been using the term “people of color” (not to be confused with the pejorative “colored people”) since the late 1970s as an inclusive and unifying frame across different racial groups that are not White, to address racial inequities. While “people of color” can be a politically useful term, and describes people with their own attributes (as opposed to what they are not, e.g.: “non-White”), it is also important whenever possible to identify people through their own racial/ethnic group, as each has its own distinct experience and meaning and may be more appropriate.

Privilege. A set of advantages systemically conferred on a particular person or group of people. White people are racially privileged, even if they are economically underprivileged. Privilege and oppression go hand-in-hand: they are two sides of the same power relationship, and both sides of the equation must be understood and addressed. People can be disadvantaged by one identity and privileged by another.

Racial justice. The systematic fair treatment of people of all races, resulting in equitable opportunities and outcomes for all. Racial justice—or racial equity—goes beyond “anti-racism.” It is not just the absence of discrimination and inequities, but also the presence of deliberate systems and supports to achieve and sustain racial equity through proactive and preventative measures.

SELECTED SURVEY QUESTIONS

- 1. Please select all that apply from the following statements regarding the diversity and inclusion goals and objectives included in your business and strategic plan.**
 - a. Our organization does not have diversity and inclusion goals and objectives included in our business and strategic plan.
 - b. We are developing/have developed a diversity and inclusion statement.
 - c. We are creating/have created a committee or task force dedicated to diversity and inclusion.
 - d. We are conducting/have conducted diversity and inclusion training for staff and board members.
 - e. We are incorporating/have incorporated diversity and inclusion into the organization's core values.
 - f. We are defining/have defined what diversity and inclusion means to our organization.
 - g. We are recognizing and defining/have recognized and defined problem areas and barriers to achieving workforce diversity and taking affirmative actions where necessary.
 - h. We are working to incorporate/have incorporated diversity and inclusion throughout all levels of the organization, job classifications, and occupational categories.

- 2. Has your organization developed a statement articulating the importance of diversity and inclusion?**

- 3. If your organization has a diversity and inclusion statement, how is it expressed? Please select all that apply.**
 - a. Stated value
 - b. Part of a strategic plan
 - c. Embedded in hiring and recruiting practices
 - d. Have a person on staff focused on diversity and inclusion
 - e. Continual topic of conversation

- 4. How many members are currently serving on your organization's board/executive committee?**

5. **How many of your current board/executive committee members identify as Hispanic or Latina/o/x?**
6. **How many of your current board/executive committee members identify as Black or African American?**
7. **How many of your current board/executive committee members identify as White?**
8. **How many of your current board/executive committee members identify as Asian?**
9. **How many of your current board/executive committee members identify as American Indian or Alaskan Native?**
10. **How many of your current board/executive committee members identify as Native Hawaiian or Other Pacific Islander?**
11. **How many of your current board/executive committee members identify as LGBTQI+?**
12. **For each of the following statements, indicate whether you agree or disagree:**
 - a. Diversity and inclusion is a key priority for our board/executive committee.
 - b. Our organization is a supportive place for diverse board members.
 - c. Our board/executive committee supports diversity and inclusion initiatives.
 - d. We are content with the current level of diversity and inclusion represented in our board/executive committee.
 - e. Our board/executive committee adequately reflects the community/communities we serve.
 - f. All board/executive committee members are asked to consider diversity and inclusion when selecting new members.
13. **Does the board/executive committee have a written statement/policy on diversity and inclusion of board membership?**
14. **Does the board/executive committee tie its diversity and inclusion goals to the overall strategic plan of the organization?**
15. **Does the board/executive committee evaluate its own diversity and inclusion efforts?**

- 16. Is diversifying your board/executive committee a key objective? If so, please select the reason(s) why and check all that apply.**
- a. To increase creativity and problem solving
 - b. Because diverse perspectives and skills are valuable
 - c. To enhance reputation of organization
 - d. To recognize the importance of diversity and inclusion
 - e. It is a value we want to uphold in our organization
 - f. To better reflect the community/communities we serve
 - g. Diversifying our board/executive committee is not a key objective
- 17. In the last 3 years, how often did the board/executive committee review the diversity of its own board members?**
- 18. Does the organization make diversity and inclusion training available to its board/executive committee?**
- 19. Has your board/executive committee implemented recruiting efforts designed to attract members of diverse backgrounds?**
- 20. Which of the following methods has your board/executive committee used to attract members of diverse backgrounds?**
- a. Assessed the skills of, experience, and expertise of our existing board members to identify gaps
 - b. Advertised trustee vacancies by utilizing specialist job boards targeted at local communities or minority populations
 - c. Created a task force that is responsible for the recruitment of diverse board members
 - d. Revised the board member nominating or recruitment process to ensure a diverse pool
 - e. Hired an executive search firm to help with identifying diverse applicants
 - f. Encouraged our current board members to network with advisory/affinity groups that are not represented on the board
- 21. Does the board/executive committee consider diversity and inclusion in succession planning for board officers?**
- 22. What obstacles to recruiting diverse members has the board/executive committee encountered?**
- 23. Does your organization collaborate with diverse advisory/affinity groups when recruiting new board/executive committee members?**

ENDNOTES

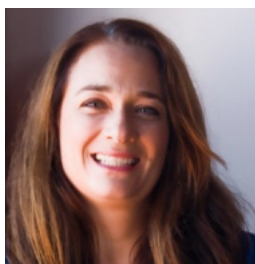
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ABOUT KOYA LEADERSHIP PARTNERS



Koya Leadership Partners is a national executive search firm dedicated to placing exceptionally talented leadership at mission-driven institutions committed to serving a larger social purpose. Koya was founded in 2004 on a single belief—the right person in the right place can change the world—and is deeply committed to its clients and the missions they serve.

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