

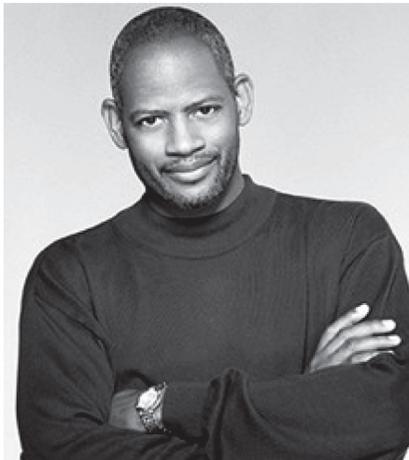


ANALYSIS OF POLICIES, PRACTICES, AND PROGRAMS FOR ADVANCING DIVERSITY, EQUITY, AND INCLUSION

Executive Summary



D5 Growing **diversity**, **equity**, and **inclusion** in philanthropy



Paula Dressel, Vice President of JustPartners, Inc., and Gregory Hodge, consultant to JustPartners from Khepera Consulting are the authors of this report. JustPartners Inc. is a Baltimore-based consulting group that works to advance equitable and inclusive organizations and communities.

D5coalition.org

FOREWORD

Advancing diversity, equity, and inclusion (DEI) is critical to advancing the common good, increasing the effectiveness, and enhancing the impact of philanthropy. But sometimes, it can be hard to know where to start.

D5 is facilitating the momentum of hundreds of leaders in philanthropy who are dedicated to advancing DEI. These champions are making change in their own institutions, raising awareness of the importance of DEI in the field, and recruiting other leaders to take up the cause. We're excited to see their progress, and constantly looking for more ways to support their actions.

D5 commissioned JustPartners, Inc. to conduct this analysis to help philanthropic organizations understand how to more successfully advance DEI. This comprehensive scan reviewed hundreds of written and web-based resources from philanthropy and the field of organizational effectiveness, and identified five key elements—the “5 Ms”—critical to advancing DEI: Mobilizers, Missions, Money, Moments and Movements. You can learn more about these key elements in the full report.

But this research also revealed that the field continues to struggle with addressing equity—or creating equal opportunities for all people within and served by a foundation. How much equity-focused investments actually close gaps in opportunity, the gaps that produce disparities, remains unclear because few foundations track or publicize this data. The lack of such information limits philanthropy's ability to make a stronger business case for DEI.

Our movement is making real progress toward addressing this challenge and others, and you can help us build on this collective action. This report offers ideas and inspiration for how you can contribute to this growing movement, and help philanthropy better engage and transform its increasingly diverse constituencies. We hope you will join us.

Kelly Brown
D5 Director

EXECUTIVE SUMMARY

ANALYSIS OF POLICIES, PRACTICES, AND PROGRAMS FOR **DIVERSITY, EQUITY, AND INCLUSION**

Philanthropy's role historically is to apply private resources for the public good¹, with measurable impact and social change among its aspirations. Attention to diversity, equity, and inclusion (DEI) promises to optimize philanthropic impact through:

- expansion of opportunity;
- support for leadership from marginalized groups;
- closing of gaps in indicators of well-being; and
- invigoration of new donors and modes of giving.

This report provides a comprehensive scan of existing written and web-based resources from philanthropy and the fields of organizational effectiveness and social justice in order to identify existing policies, practices, and tools, which can inform and guide action by philanthropies to advance diversity, equity, and inclusion. The dimensions of DEI explored are those of gender, race/ethnicity, LGBTQ issues, and disability. Interviews with seven foundations give texture to specific issues and reveal how foundations are embedding DEI into their operations.

The report starts by distinguishing among diversity, equity, and inclusion and establishing a menu of areas across foundations where DEI can be anchored. Using the menu as a guide to map the literature, it then draws conclusions about where DEI work in the sector is most robust and where it lags. These findings are used to identify factors that get DEI work started and factors that sustain such work. For each factor, guidance is offered for how foundations can move DEI efforts ahead.

This report has been commissioned by the D5 Coalition — a five-year coalition to advance philanthropy's diversity, equity, and inclusion. It is hoped that this report contributes to the advancement of those agendas.

¹ http://www.ssireview.org/book_reviews/entry/philanthropy_in_america_a_history_olivier_zunz, accessed 4.3.13.

PART I. STARTING ANCHORS

Diversity, equity, and inclusion are interrelated though distinct concepts, which often get conflated or confused in discussions and action. The report begins by clarifying these concepts. **Diversity and inclusion focus, respectively, on people and processes; equity is about impact.** Efforts to realize DEI can create synergy, but each requires specific attention. It is possible for an organization to be committed to diversity but not inclusion, or to diversity and inclusion without taking the larger step toward equity. These distinctions are emphasized throughout the report. The report also acknowledges an expanding definition of philanthropy.

Actions that advance DEI require specification. Drawing on the literature, interviews, and the authors' experience, the report offers a menu of policies and practices that advance and sustain DEI. These are anchored in five strategic questions and their indicators:

- Has the organization made an **expressed commitment** to DEI? (with three indicators)
- Has it authorized DEI in **organizational policy**? (with six indicators)
- Has it implemented DEI practices in its **operations**? (with eleven indicators)
- Has it implemented DEI practices in **grantmaking/other programmatic areas**? (with eleven indicators)
- Has it used **accountability mechanisms** to monitor DEI? (with eleven indicators)

The resulting grid of 42 indicators was divided into foundation types — family, community/public, corporate, and independent — to create a matrix used to map the literature and to draw conclusions about the current state of DEI policies, practices, programs, and resources within philanthropy.

PART II. ANALYSIS AS PRELUDE TO ACTION — A SUMMARY OF THE LITERATURE

The review yielded nine basic conclusions, six about the state of DEI work and three about the availability of tools, programs, models, and other guidance for philanthropic action.

Conclusion #1.

Three models for DEI change are represented in the literature:

- **Model 1** — Change foundations by diversifying personnel and advancing inclusion.
- **Model 2** — Change philanthropy as a sector by diversifying/expanding philanthropic participation (who *gives* in a formal way) and diversifying/targeting the philanthropic focus (who *gets* in a formal way).
- **Model 3** — Change operational and programmatic philanthropic outcomes by “hardwiring” equity into institutional policy and practice.

Models 1 and 2 are pursued more by foundations than the third.

Conclusion #2.

Activity appears greatest around diversity and inclusion, especially in terms of race. Case examples exist across foundation types that focus on boards, staff, vendors, investment advisors, and grantmaking activities. Another way diversity is promoted is through the diversification of donors and the expansion of the definition of philanthropy to embrace a wider range of giving vehicles.

Conclusion #3.

Equity requires greater intentionality by philanthropies. The literature offers fewer examples across fewer foundations pertaining to work around the indicators of equity, and these are seldom tracked for explicit attention to equitable results. The lack of such information limits philanthropy’s ability to make a stronger business case for DEI.

Conclusion #4.

Practice is lifted up more than policy in the literature. Case examples describe the reason for and the process by which a foundation institutes a particular practice, but reference to any policy that institutionalizes that practice is uncommon. If the literature is an accurate reflection of the landscape, change that is occurring around DEI may not be institutionalized in a way that can sustain it.

Conclusion #5.

Accountability to promote and sustain change appears lacking. The preponderance of data made available for the purpose of accountability focuses on board and staff diversity along the lines of gender and race. The dearth of systematic data collection around other indicators compromises the sector's ability to build its business case.

Conclusion #6.

A handful of foundations are trying to put the DEI pieces together. A small but growing number of family, community, and independent foundations are working on multiple DEI fronts either simultaneously or sequentially. The field's understanding of how an organization advances deep-seated, sustainable change can be improved by gleaning lessons from foundations that recognize DEI as a cross-cutting focus throughout their operations and programs. The appreciation of DEI as cross-cutting is typically tied to its mission relevance. The report's interviews reflect foundations that are "layering" multiple aspects of DEI to build synergy.

Conclusion #7.

"On-ramps" for DEI work are abundant. They exist anywhere work resides within a foundation. Resources are available to:

- make the case for DEI;
- craft policy to systematize and sustain DEI efforts;
- implement DEI in operations;
- implement DEI in programmatic work; and
- monitor DEI efforts for accountability.

Conclusion #8.

Tools and programs are available to guide and support action, with most focusing on issues of race. Additionally, considerable general guidance is available for philanthropy to move forward. The Resource Guide accompanying the report identifies more than seventy resources. Areas where tools are less abundant revolve around making the case for DEI and monitoring DEI efforts for accountability. Philanthropy as a sector needs to become more intentional in making an evidence-driven case for DEI.

Conclusion #9.

Models of DEI abound across the foundation types. These include sample diversity statements and policies for different kinds of foundations and types of diversity, strategic plans that actualize DEI commitments, actions that advance inclusiveness, investment strategies (both grantmaking and asset investing) that deliberately address DEI, ways that respectfully engage heretofore under-attended constituencies, and report cards that track DEI results and change. The diversity dimensions with the most extensive models available are overwhelmingly race/ethnicity, followed by LGBTQ issues, with the latter especially focused on LGBTQ people of color.

PART III. IMPLICATIONS FOR ACTION FOR INDIVIDUAL FOUNDATIONS

Foundations get started in varying ways to incorporate DEI as organizational considerations. The most frequent factors that animate change are concerned people, mission relevance, donations and markets, critical moments, and DEI movements; i.e., the “5 Ms” of Mobilizers, Missions, Money, Moments and Movements. This report offers specific action steps that individual foundations can take to capitalize on these.

Once foundation action gets under way around DEI, certain factors have been shown to be important. These are leadership; a shared language and clear point of view; a broadly embraced message; openness to self-reflection, learning, and data; a manageable place to anchor the commitment in everyday work; early positive reinforcement and external supports. For each of these the report offers specific action steps that individual foundations can take to advance the work.

DEI work requires certain ingredients to make it sustainable. These include good results through perseverance, an ongoing and broadening leadership commitment, growing organizational competencies, institutionalized “hard-wiring” of the DEI commitment, and systematic data for tracking impact. For each of these the report offers specific action steps that foundations can take to sustain the work.

Policies, Practices and Programs Project Team:

Susan Batten, *Association of Black Foundation Executives*
Ronna Brown, *Philanthropy New York*
Valerie Lies, *Donors Forum*
Jeff Poulos, *Associated Grant Makers*
Vicki Rosenberg, *Vicki Rosenberg & Associates*

Authors:

Paula Dressel, *JustPartners, Inc.*
Gregory Hodge, *Khepera Consulting, for JustPartners, Inc.*

Reviewers:

Meredith Huffman, *Genuardi Family Foundation*
Lori Villarosa, *Philanthropic Initiative for Racial Equity*
Naima Wong, *Robert Wood Johnson Foundation*
Dianne Yamashiro-Omi

The complete report and resource guide can be found at D5coalition.org. You can also find examples of how philanthropic leaders are advancing DEI in the *State of the Work 2013*, also on D5's website.

D5 thanks its funders and supporters, and is grateful for the input from colleagues that reviewed and gave feedback during various phases of the scan's production. Opinions and conclusions presented in this report reflect those of the authors and not necessarily D5's funders, supporters, and colleagues.

D5 IS A FIVE-YEAR EFFORT TO GROW PHILANTHROPY’S DIVERSITY, EQUITY, AND INCLUSION. COMPRISING MORE THAN A DOZEN ORGANIZATIONS, WITH CONNECTIONS TO THOUSANDS OF GRANTMAKERS, THIS EXPANDING COALITION INCLUDES:

Asian Americans/Pacific Islanders in Philanthropy
Associated Grant Makers
Association of Baltimore Area Grantmakers
Association of Black Foundation Executives
Council of Michigan Foundations
Council on Foundations
Donors Forum
Florida Philanthropic Network
Foundation Center
Funders for LGBTQ Issues
The Funders’ Network
Hispanics in Philanthropy
Horizons Foundation
Joint Affinity Groups
Lake County Community Foundation
Minnesota Council on Foundations
National Association of Latino Funds
Native Americans in Philanthropy
Northern California Grantmakers
Philanthropy New York
Philanthropy Northwest
Philanthropy Ohio
San Diego Grantmakers
Women’s Funding Network

Rockefeller Philanthropy Advisors serves as D5’s program office.

Kelly Brown
Director
Hafizah Omar
Administrative Assistant
Meghan McVety
Judi Powell
Program Coordination Consultants

Funders & Advisors

Funders & Advisors

Donna Stark, *Annie E. Casey Foundation*
Robert K. Ross, *The California Endowment*
Kathy Reich, *The David and Lucile Packard Foundation*
Evelyn & Walter Haas, Jr. Fund
Unmi Song, *Lloyd A. Fry Foundation*
Vic De Luca, *Jessie Smith Noyes Foundation*
Luz Vega-Marquis, *Marguerite Casey Foundation*
Gabriella Morris, *The Prudential Foundation*
Stephen B. Heintz, *Rockefeller Brothers Fund*
Judith Rodin, *The Rockefeller Foundation*
Risa Lavizzo-Mourey, *Robert Wood Johnson Foundation*
Hugo Morales, *Rosenberg Foundation*
Sterling K. Speirn, *W.K. Kellogg Foundation*

D5 Leadership Team

Paul Bachleitner, *Joint Affinity Groups*
Maricela Espinoza-Garcia, *San Antonio Area Foundation*
Carly Hare, *Native Americans in Philanthropy*
Mae Hong, *Rockefeller Philanthropy Advisors*
Lawrence McGill, *Foundation Center*
Jeff Poulos, *Associated Grant Makers*
Vicki Rosenberg, *Vicki Rosenberg & Associates*
Kristopher Smith, *Funders’ Network for Smart Growth and Livable Communities*
Sylvia Zaldivar-Sykes, *Lake County Community Foundation*
Ericka Plater Turner, *Council on Foundations*



D5 Coalition

980 N. Michigan Ave.

Suite 1120

Chicago, IL 60611

312-324-0744

www.D5coalition.org