

A SUMMARY OF DATA ON NONPROFIT BOARD DIVERSITY AND INCLUSION IN CENTRAL OHIO





### Dear Friends,

This document is the summary of survey data on the diversity of nonprofit boards in central Ohio. It is not a rigorous academic study but a starting point for an important dialog that our community needs to have. Simply put, our nonprofit boards do not look like our community, and that is an issue.

Organizations like United Way of Central Ohio and the network of 84 local nonprofit partners it supports serve a diverse population. And we believe that having board members who are themselves representative of our community will lead to more authentic and effective service provision and better outcomes.

Many organizations, including United Way, have been preparing a diverse group of people for leadership roles, and we believe this has helped move our community forward. These efforts need to continue and expand. Beyond that, the time has come for central Ohio leaders in every sector to make a concerted effort to build more diverse and inclusive nonprofit boards.

United Way of Central Ohio is committed to helping lead the change and this document contains many concrete steps we will be taking to ensure our nonprofit boards look like the diverse community they serve.

Sincerely,

Lisa S. Courtice, Ph.D.

President and CEO

United Way of Central Ohio

Marlon Moore, Ph.D.

Chair

United Way of Central Ohio

Diversity and Inclusion

Strategic Advisory Council

# NATIONAL TREND: LITTLE CHANGE

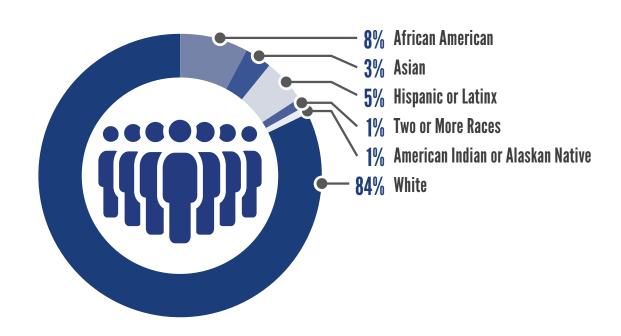
In 1993, BoardSource, an organization formed to inspire and support excellence in nonprofit governance and board and staff leadership, collected demographic information from nonprofits as part of its Nonprofit Governance Index. Findings revealed 86 percent of nonprofit boards consisted of White board members. By 2010 numbers had barely shifted even though chief executive officers across the country reported racial and ethnic diversity was vital.

Equally concerning on the national front were findings regarding perceptions. In the 1993 Index, BoardSource found racial and ethnic minorities perceived different treatment from other board members, and notably, these feelings increased the longer individuals served on boards.

By 2017, numbers still hadn't improved. Findings from the 2017 BoardSource Leading with Intent survey found 84 percent of boards are White; 8 percent African American; 5 percent Hispanic or Latinx of any race; 3 percent Asian; 1 percent two or more races; 1 percent American Indian or Alaskan Native. (Surveys didn't evaluate sexual orientation or religious affiliation.)

BoardSource contends the best boards are comprised of individuals with a variety of skills, backgrounds and resources. Board makeup should reflect the population which it serves—to embrace diverse perspectives marks true inclusivity.

#### NATIONAL NONPROFIT BOARDS - RACIAL AND ETHNIC DIVERSITY





### A LOCAL LOOK

Given the lack of progress at the national level, United Way of Central Ohio sought to compare the status of diversity and inclusion on local nonprofit boards. United Way has been deeply engaged in the effort to prepare diverse candidates for service on nonprofit boards for more than 25 years. Its Project Diversity and Pride Leadership programs have graduated more than 600 racial and ethnic minorities and members of the LGBTQ community. And more than 80% of them are serving or have served on at least one nonprofit board. Many other efforts like the African American Leadership Academy, YWCA Columbus Leadership for Social Change, Columbus Urban League Young Professionals and The Latina Mentoring Academy have been preparing a diverse group of people for leadership roles including community and nonprofit board service.

It is clear that these programs have helped to fill a huge need in our community to identify and educate a diverse group of leaders. But did these efforts and others like them make central Ohio's nonprofit boards more diverse and inclusive than the national results? To answer that question United Way formed a Diversity and Inclusion Strategic Advisory Council consisting of experts from the public, private and nonprofit sectors. The council shaped the survey questions contained in this summary.

Similar to the BoardSource research, the council's work was guided by four fundamental tenets:

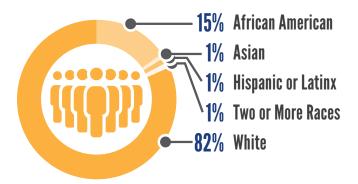
- · Achieving equity is imperative;
- · Economic and social equity are interdependent;
- Diverse leaders make better and more equitable decisions;
- Nonprofit boards should look like the communities they serve.

Based on demographics, central Ohio should expect nonprofit boards to look something like this: 64 percent White; 22 percent African American; 5 percent Hispanic or Latinx; 5 percent Asian.

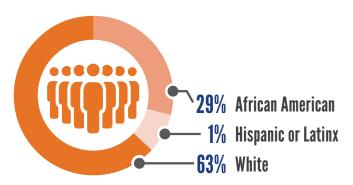
#### NONPROFIT BOARDS - RACIAL AND ETHNIC DIVERSITY

#### **CENTRAL OHIO NONPROFIT BOARDS**

(Based on responses to United Way survey)



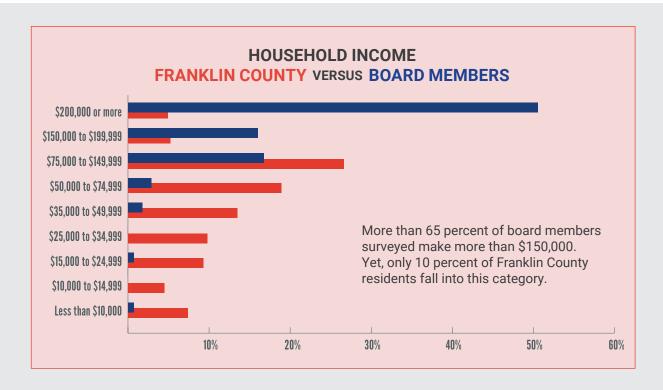
#### **UNITED WAY OF CENTRAL OHIO BOARD**





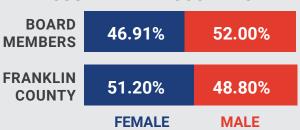
# **SURVEY RESULTS**

United Way conducted a survey of its funded partner network which netted an 83 percent organizational response rate from the 41 organizations. There were 806 board members surveyed, and 35 percent responded. The initial results revealed central Ohio fared no better than national averages. The years of preparing and placing diverse leaders on nonprofit boards has not moved the needle when it comes to overall board diversity.



### STILL ROOM TO IMPROVE

BOARD MEMBERS GENDER IDENTITY VERSUS FRANKLIN COUNTY SEX\*



<sup>\*</sup> Franklin County collected information on sex, whereas the United Way of Central Ohio survey collected information on gender identity.

More than 80 percent of central Ohio board members surveyed are White though they comprise less than 65 percent of the population.

Central Ohio Boards

WORE THAN

Ohio Population

LESS THAN

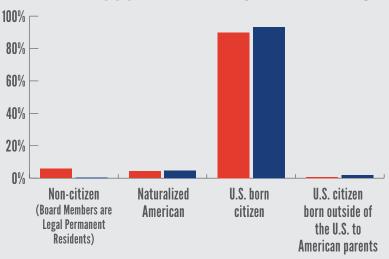
LESS THAN

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# SURVEY RESULTS continued

Local data aligns with national statistics when it comes to racial and ethnic diversity, and results uncover significant disparity. The United Way survey also looked at other measures of diversity and found that veterans, immigrants and people with disabilities are underrepresented. No community-level data exists regarding sexual orientation and the same holds true for religious affiliations. While the following results dive into income, gender and race, they don't compare income as they pertain to race. Still, the results are startling.

### IMMIGRATION STATUS FRANKLIN COUNTY VERSUS BOARD MEMBERS



### 35-64 YEAR OLDS in Franklin County



37% of the population



#### 77% of boards of trustees

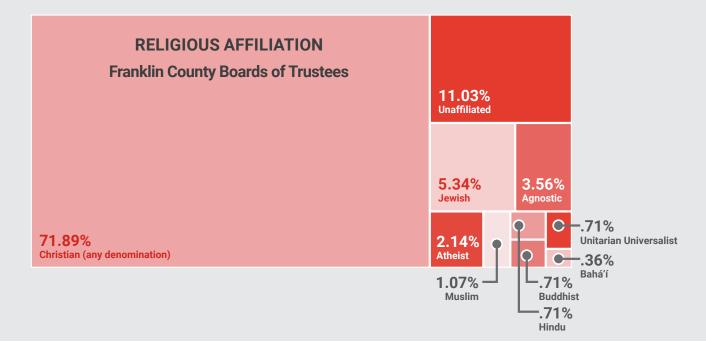
Significant gaps also exist based on age. In Franklin County, people between the ages of 35-64 make up 37 percent of the population; yet, respondents in this age range made up 77 percent of boards of trustees.

#### SEXUAL ORIENTATION/ GENDER EXPRESSION

**Franklin County Boards of Trustees** 

92.36% HETEROSEXUAL

6.18%
LESBIAN, GAY,
BISEXUAL, TRANSGENDER,
AND QUEER (LGBTQ+)





# **BEYOND THE NUMBERS**

The numbers tell one part of the story. To gain further insights United Way also asked open-ended questions regarding board diversity and inclusivity to learn about perceptions of respondents. (Here are the definitions we provided - Diversity: The full utilization of all human potential that includes

full utilization of all human potential that includes difference leveraged to achieve organizational vision, mission and overall goals. Inclusion: To manage an environment, organization and/or people so that opportunity, interaction, communication, decision-making and information demonstrate that diversity is valued.)

- How intentional is your organization about ensuring board diversity?
- Why is/isn't your organization intentional about inclusivity?
- How easy or difficult is it to achieve board diversity?

Perhaps the most disconcerting realization is the majority of people currently serving on boards of trustees are those who see fewer problems.

Most respondents believed their organizations tried to create diverse and inclusive boards; however, a disconnect appears among demographic groups. More men than women believed their organizations intentionally practiced board diversity and inclusivity. The same held true among White people and racial and ethnic minorities. Heterosexual respondents also more likely perceived positive intentions over LGBTQ+ counterparts.

A 2019 Leadership Columbus team analyzed the survey results to add qualitative depth to the findings. Based on their work, they offered key observations about the challenges that organizations will face as they strive to increase diversity and inclusion:

- Fully committed organizations may realize even best practices may be inadequate to support lasting change;
- Intentional organizations may achieve some success, but may believe true change is unlikely;
- Nonparticipating organizations may lack hope or have experienced failed diversity efforts.

Additionally, the team recommends that diverse boards take a strategic approach toward board recruitment and structure. Organizations must move past personal networks for board recruitment.

Perhaps the most startling realization is the majority of people currently serving on boards of trustees are those who see fewer problems.

# WHY IT MATTERS

There is tremendous need in our community. More than 400,000 people in Franklin County live below 200 percent of the federal poverty level – meaning they cannot meet the basic needs without assistance. To address this need nonprofits must be highly effective. Multiple studies summarized in a Harvard Business Review article show that diverse groups are smarter than homogenous ones. They focus more on facts, process those facts more carefully and are more innovative. And a recent McKinsey & Co. study, *Delivering Through Diversity*, found companies with more diverse and inclusive boards were 43 percent more likely to achieve above-average financial performance.

All of these benefits of increased diversity are directly applicable to the nonprofit sector.

Cultural differences fortify board work and strengthen a nonprofit's ability to deliver culturally competent, mission-centered programs. A variety of perspectives challenge biases and status quo governance.

# CHANGE IS GOOD FOR ALL

United Way is dedicated to helping make local nonprofit boards more diverse and inclusive. The organization will accelerate change through these concrete commitments:

- Provide training and tools for its funded partners to help build their capacity to attract and retain diverse board candidates.
- Strengthen the pipeline of diverse candidates by creating a system to introduce boards to prospective board member candidates.
- Institute board diversity as a selection criterion in its next grant application process (beginning in early 2020); applicants will need to have diverse boards with respect to race and ethnicity or a board-approved plan for achieving diversity.
- Measure and report progress on a regular basis.

Based on the expert advice of the Diversity and Inclusion Strategic Advisory Council, United Way recommends our community increase racial and ethnic diversity, as a starting place, of its nonprofit boards to reflect the diversity of our community by 2025. United Way will continue to monitor progress and initiate change in other underrepresented demographics as well.

Board diversity and inclusivity impact all sectors. To effectively serve our evolving community, corporations, nonprofits and government must work together to guarantee true and authentic diversity, equity and inclusion become the standard for all nonprofit boards in central Ohio.

This is the summary of a survey, not a rigorous academic study but these initial findings indicate that we have a lot of work ahead of us. This summary is a catalyst for a community conversation about creating the diverse and inclusive nonprofit boards we need to ensure everyone has the opportunity to succeed.

United Way recommends our community increase racial, and ethnic diversity, as a starting place, of nonprofit boards to reflect the diversity of our community by 2025.

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### Special thanks the 2019 LEADERSHIP COLUMBUS TEAM:

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### **RESOURCES**

There is an abundance of resources available to help nonprofits improve the quality of their boards with improved diversity and inclusion strategies. These resources are shown through research to be most helpful in developing a sustained, integrated culture of diversity, inclusion and belonging. Also, <u>Boardsource</u> offers a comprehensive approach to board recruitment and structure.

#### Self-Assessment - what's your starting point?

Identify potential gaps in demographic diversity measures, skills, knowledge, and experiences that could improve the effectiveness of the board.

- · BoardSource: Board Recruitment Matrix
- Race Matters: Organizational Self-Assessment
- · D5 Coalition: DEI Self-Assessment Survey

#### Explore your organization's mission, vision, and values as they relate to diversity, equity, and inclusion.

National Council of Nonprofits: Why diversity, equity, and inclusion matter for nonprofits

Ask these questions (adapted from BoardSource Leading With Intent):

- 1. If someone were to make assumptions about our organizational values based on our board composition and diversity, what would they be likely to think?
- 2. How well do we understand the community/communities that we serve? Are we asking for their perspectives, needs, feedbac, and priorities? Are we ever at risk of making decisions in the boardroom without fully understanding how these decisions may affect those we serve?
- 3. What would a deeper commitment to diversity, inclusion and equity look like for our board, our organization and our work in the community?

#### Create a plan, set goals, and monitor progress

Create a fully-articulated board recruitment strategy. Identify what you need, when you need it, and how you will achieve your goals.

- Nonprofit HR: Accelerating Nonprofit Board Diversity
- · Philanthropy New York: What Lies Beneath: The State of NYC Nonprofit Board Diversity, Equity, and Inclusion
- Example of policy-creation process: <u>Steps we Took to Create the Americans for the Arts Statement on Cultural Equity</u>

#### Avoid tokenism - while seeking diverse voices, recognize the individual

"Remember that no board member wants to fill a quota, and no one person is able to represent an entire subsection of the population."

Koya Leadership Partners: The Governance Gap: Examining Diversity and Equity on Nonprofit Boards of Directors

#### Don't stop at recruitment - "a seat at the table" isn't enough

"Boards are focused on reaching and attracting diverse candidates, and less so on making changes to how the board operates. Nonprofits should pay particular attention to the points of decision-making and who is involved or excluded in these processes."

- Nonprofit Quarterly: The Inclusive Nonprofit Boardroom: Leveraging the Transformative Potential of Diversity
- Compass Point: Does your Board Foster Inclusivity?

