



**DEEPENING
ORGANIZATIONAL
DIVERSITY**

*Southern California Grantmakers
2010 Annual Conference and Members' Meeting*



**INSTITUTIONALIZING DIVERSITY:
POLICIES AND PRACTICES FOR
PHILANTHROPIC EFFECTIVENESS**

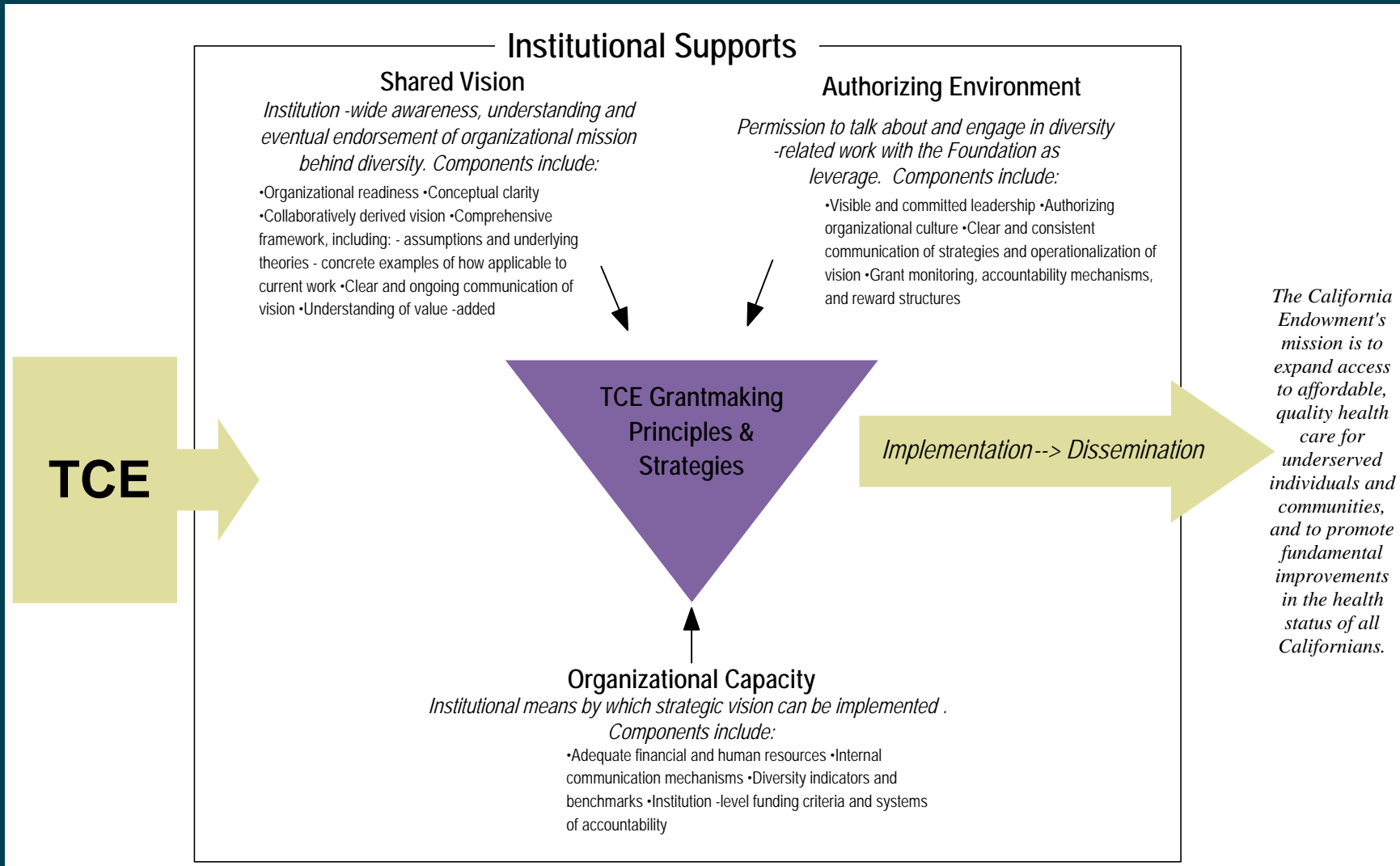
November 4, 2010

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THE CALIFORNIA ENDOWMENT

Multi-Step Institutional Change Framework for Benchmarking Progress on Diversity and Inclusivity Goals and Outcomes



The Toolkit

Foundation



Policies &
Practices
Toolkit

Major Topic Areas

1. Policy
2. Governance & Workforce
3. Grantmaking
4. Contracting
5. Investments

Policy

[DIVERSITY STATEMENT]

THE HYAMS FOUNDATION

Statement of Diversity Principles

Diversity refers to individual and group differences based on race, ethnicity, gender, sexual orientation, age, physical ability, class and religion. The Foundation seeks to promote understanding and appreciation of these differences in order to eliminate racism, bigotry and other forms of intolerance and to build a more humane and just society.

The Foundation promotes diversity within its own organization and those it funds in order that they...

- reflect the racial, ethnic and other characteristics of those living in the communities served
- promote greater understanding of and respect for the diversity within these communities
- recognize and amplify these communities' "voices"
- build on the strengths of community residents and develop local leadership
- achieve the highest level of effectiveness and well informed decision-making

The Foundation will advance these goals by...

- promoting diverse boards and staff
- improving access for all those needing the programs and services funded by the Foundation
- supporting self-development efforts of traditionally oppressed groups to become equal participants in society
- funding specific efforts that deal with race relations
- funding specific efforts that promote leadership development and build the capacity of neighborhood residents and organizations to solve their own problems
- actively seeking to be informed by the community

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Organizational

Organizational GOVERNANCE & WORKFORCE

Foundations are finding that actively promoting a board and staff composition that reflects their constituents heightens the opportunity to reach their mission. They realize that a breadth of cultural perspectives better guides philanthropy in the civic goal of supporting vibrant communities.

The foundation scan discovered that many philanthropists understand the valuable asset of a diverse board and staff, although the extent to which they support this understanding varies widely. Many have informal hiring guidelines but few have formal procedures.

The examples in this section begin with The San Francisco Foundation's *Equal Employment/Diversity Policy*, followed by an excerpt from The California Endowment's *employee handbook* that outlines its commitment to a pluralistic workforce.

The Women's Foundation of Minnesota's *Application to the Board of Trustees* is a comprehensive form that includes six different dimensions of diversity. In addition to collecting data on race, ethnicity, sex, and age, the profile requests a broader set of relevant experiences to build a better indicator of what areas need further representation and how new members may complement existing board trustees' contributions.

Promoting organizational diversity is more than increasing the range of ethnic and racial backgrounds represented by an institution's leadership and staff. It also involves seeking the set of characteristics, cross-cultural expertise, and experiences that will ground the grantmaker's work in the communities it serves and best fulfill philanthropy's vision of social equity for all.



“The quality of grantmaking is enhanced when grantmaking organizations reflect the cultural diversity of the communities they serve through their grants.”

Minnesota Council on Foundations,
expressing one of two values guiding the
development of its Diversity Framework

Grantmaking

“It’s important to go beyond the obvious issues like race and look at how different points of view based on different life experiences can bring deeper understanding, higher expectations, more meaningful reality testing to our work.”

Wendy U. Jackson, Executive Director,
East Oakland Community Project

THE SAN FRANCISCO FOUNDATION

The Community Foundation of the Bay Area

Racial/Ethnic Diversity [from the Application Guidelines]

If your organization tracks the racial/ethnic diversity of those served, please fill out the grid provided. In the “Other” box, specify groups served that are not represented on this form.

Number of people served by project: Provide this information when applying for project support or capacity building.

Number of people served by organization: All applicants are asked to provide this information. Provide only information about numbers served directly by your organization in this section. If you serve other organizations, as well as individuals, describe this in the “Target Populations” section.

Number of people on staff: Provide information for all employees. Show part time employees as 0.5 for half time, 0.25 for quarter time, etc. Do not include consultants or other 1099 employees.

Number of people on the board of directors: If your organization does not have its own 501(c)(3), provide information on the individuals on your advisory board.

Diversity Table [from the Intent to Apply Form]

	# people served by project	% people served by project	# people served by organization	% people served by organization	# people on staff	# people on Board of Directors
Racial/ethnic						
African American/Black						
Asian American						
Hispanic/Latino						
Native American						
Pacific Islander						
White (Non-Hispanic)						
Other						
Total*						
Gender						
Female						
Male						

Contracting & Investments

“It is the policy of The San Francisco Foundation to promote, increase, and improve the quality of the overall participation of minority, women, disabled, gay, lesbian, bisexual, transgender or veteran-owned business enterprises and small business enterprises in our purchases of materials and services.”

The San Francisco Foundation

Contracting VENDORS & CONSULTANTS

Philanthropy's purchasing power affords a way to increase financial opportunities for all of a grantmaker's constituents, including the businesses that drive a community's economy. Some foundations are making an effort to increase their use of a cross-section of vendors and consultants as they develop strategies to increase outsourcing diversity. Some are seeking socially responsible and minority- or women-owned enterprises as well as those that make a priority of engaging or employing local residents.

For funders such as the Hyams Foundation, Inc. using local, minority-owned goods and service providers also supports its program priorities, which include revitalizing and strengthening low-income Massachusetts neighborhoods.

This section exhibits three documents from The San Francisco Foundation: (1) *Consultant/ Vendor Diversity Policy*, (2) *Guidelines for Hiring Independent Contractors or Consultants*, and (3) a *letter* requesting data to help the foundation ensure that "our organizational and governing structures reflect the diversity of the community around us." Together, they offer a model for a comprehensive approach to bringing consumer power into the framework of a democratic philanthropy.

The *letter and survey* from the W.K. Kellogg Foundation addressed to grantees and vendors testify to a commitment to equity by gathering data to help evaluate the funder's practices.

The California Endowment's *Request for Proposals* to potential external evaluators is a good example of how to incorporate strong language around cultural competency skills and experience.

Through the hiring of vendors and consultants, foundations can support diversity by making an effort to work with businesses that are owned and operated by or whose personnel is composed of a broader spectrum of the population—and thus participate in the development of a lively economy employing a pluralistic workforce.



TCE Diversity Audit



Diversity¹ Plan

1. Adopt and publicly disseminate a clear statement of support for diversity in philanthropy as a measure of philanthropic effectiveness, including operations and grant asking.
2. Engage Board of Directors/Trustees in endorsing/supporting an organizational Diversity Plan.
3. Include diversity-related measures in the performance goals for the CEO and other managers, as appropriate.
4. Review and make appropriate changes to personnel policies and procedures to ensure compliance with all relevant federal, state and local laws and regulations on employment nondiscrimination and employee benefits.
5. Identify and implement a plan for an additional staff orientation and training on diversity issues.
6. Ensure compliance with accessibility requirements of the Americans with Disabilities Act for all offices and implementation of best practices for accessibility of communications formats (e.g., website accessibility for persons with visual and physical disabilities, appropriate translations of written materials in other languages, etc.).

Audit Report Card

Figure 4. Summary of the 2008 TCE Report Card Ratings

	Progress			
	None	Some	Good	Excellent
Diversity Plan Goals & Action Steps (Note: The numbering corresponds to the Diversity Plan, but has been reorganized by category.)				
Shared Vision				
1) Adopt and publicly disseminate a clear diversity statement	██████████	██████████		
Authorizing Environment				
2) Engage Board of Directors/trustees in endorsing an organizational Diversity Plan	██████████	██████████	██████████	
3) Include diversity-related performance measures in the performance goals for the CEO and other managers, as appropriate	██████████	██████████		
Organizational Capacity				
4) Review and make changes to personnel policies and procedures to ensure compliance with all relevant laws and regulations on employment nondiscrimination and employee benefits.	██████████	██████████	██████████	
5) Identify and implement a plan for any additional staff orientation and training on diversity issues	██████████			
6) Ensure compliance with accessibility requirements of the Americans with Disabilities Act.	██████████	██████████		
8) Conduct proactive outreach and recruitment for diverse candidates for Board, management and staff positions	██████████	██████████	██████████	
2) Review and make appropriate changes to contracting policies	██████████	██████████		
12) Review and make appropriate changes to vendor hiring policies.	██████████			
13) Explore, review and consider socially responsible investments and diversity among investment managers	██████████	██████████		
Data Tracking, Analysis, and Reporting				
7) Develop and adopt diversity indicators for Board, management and staff; collect baseline data; implement a publicly report	██████████	██████████		
9) Continue collecting and documenting diversity-related information about applicants and grants, especially populations/communities served	██████████	██████████		
10) Share information about grantmaking (e.g. number and description of grants serving specific populations/communities) to philanthropy affinity groups upon request	██████████	██████████		
Strategic Grantmaking Focus on Diversity				
Continue to develop a strategic focus of grantmaking on serving diverse populations and communities and to address themes of diversity, inclusion, social justice and equity.	██████████	██████████	██████████	
Philanthropic Leadership				
11) Collaborate with philanthropy peers to develop and implement standardized diversity indicators for applicant/grantee organizations	██████████	██████████		
14) Evaluate and disseminate best practices regarding increasing diversity in philanthropy.	██████████	██████████		
15) Support adoption of best practices by peer foundations	██████████	██████████	██████████	

Foundation



*Policies &
Practices*
Toolkit

www.diversityinphilanthropy.com

**Go to the Diversity
Policies &
Practices Toolkit:**

www.calendow.org

or