



COUNCIL *on* FOUNDATIONS

# TEN WAYS FOR

Family Foundations to Consider

## Diversity and Inclusive Practices

Effectiveness and Impact

Recruitment  
Culture and Climate

Mission and Values

## Who We Are

The Council on Foundations is a national nonprofit association of approximately 2,000 grantmaking foundations and corporations. As a leader in philanthropy, we strive to increase the effectiveness, stewardship, and accountability of our sector while providing our members with the services and support they need for success.

## Our Mission

The mission of the Council on Foundations is: *to provide the opportunity, leadership, and tools needed by philanthropic organizations to expand, enhance, and sustain their ability to advance the common good.*

## Statement of Inclusiveness

The Council on Foundations was formed to promote responsible and effective philanthropy. The mission requires a commitment to inclusiveness as a fundamental operating principle. It also calls for an active and ongoing process that affirms human diversity in its many forms, encompassing but not limited to: ethnicity, race, gender, sexual orientation and identification, age, economic circumstance, class, disability, geography, and philosophy. We seek diversity to ensure that a range of perspectives, opinions, and experiences are recognized and acted upon in achieving the Council's mission. The Council also asks members to make a similar commitment to inclusiveness to better enhance their abilities to contribute to the common good of our changing society. As the national voice of philanthropy, the Council is committed to promoting diversity. We are equally committed to including a wide range of perspectives, opinions, and experiences as we work to achieve our mission. Similarly, we ask Council members to commit to diversity and inclusiveness to enhance their own work. To that end, we provide them with the tools, educational programs, and opportunities they require to more effectively serve the common good.



**COUNCIL *on* FOUNDATIONS**

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## Introduction: How to Use this Guide

This guide is designed to help foundations consider how more diverse and inclusive practices might advance their mission by making their work more effective and more reflective of communities served. By highlighting 10 ways family foundations can approach diversity, this guide seeks to spark ideas and launch further dialogue.

Your foundation can tackle any one of the 10 approaches individually to jump-start an exploration of diversity and inclusion or work through each of the 10 one-by-one. You might choose to begin on the inside (e.g., with your mission, governance, contracting, and staffing) and work your way out (e.g., to your external relations and impact). There is no one *right* way. The key is to get started.

We have purposely kept the guide brief and straightforward.

We hope it prompts honest reflection and thoughtful inquiry and puts you on a path to a deeper commitment to diversity and inclusive practices that unleash creative forces benefiting your grantees and community. To aid your progress down this path, see “Get to Know” on page 24 for information on institutions committed to inclusive practices; this information will be updated online.

# Defining Terms: What We Mean by ‘Diversity and Inclusive Practices’

The Council on Foundations considers the term “diversity” to encompass the breadth and depth of human difference. This includes but is not limited to differences of ethnicity, race, gender, sexual orientation and identification, age, class, economic circumstance, religion, ability, geography, and philosophy among other forms of human expression. Achieving diversity does not consist merely of documenting representation via head counts and checklists but rather entails ensuring *inclusion in decision making*. As a growing body of literature argues, inclusion in decision making leads to enhanced creativity, a broader range of options, and increased effectiveness.

## **Diversity and inclusive practices in philanthropy: a focus on decision makers**

The face and composition of the philanthropic sector is changing. Foundation staffs, boards, and other leader groups include an increasing number of women; people of color; individuals from lesbian, gay, bisexual and transgendered communities; individuals with different physical abilities; and people representing different classes, ethnicities, and backgrounds. While foundation staffs have attracted individuals from diverse backgrounds, foundation decision makers—CEOs, trustees, advisory committee members, and other volunteers—include fewer individuals from diverse backgrounds than foundation staffs. While increased diversification of foundation staff is important and has received attention in the field, more efforts are being made to increase and diversify the pipeline to *leadership*.

Of late, the link between inclusive practices and foundation effectiveness has attracted study and discussion. Philanthropic leaders are considering the qualitative difference that a more diverse and inclusive field might make. Some leaders argue that it is critical to measure the impact or quality, rather than quantity, of representation in the sector and of grantmaking in diverse communities. Including and beyond representation, the field is delving into how diversity and inclusive

practices can help foundations achieve greater impact. Diversity and inclusive practices in family philanthropy are being reconceived more broadly as a set of activities meant to contribute to a foundation's overall mission and effectiveness. This mindset can be particularly relevant to family foundations with few or no staff members or with limited flexibility to change board structure and funding focus. Donor intent, mission, and strategy are equally important factors and often influence the way diversity and inclusive practices are considered by different foundations.

*For the Prince Charitable Trusts, fulfilling our mission in Chicago—to support a broad array of services to keep the city vibrant and enhance the quality of life of its citizens—would be impossible without engaging people from diverse communities, experiences, and backgrounds. Our non-discrimination policy makes our commitment to inclusion explicit, but beyond this, we have a commitment to excellence. Our grantmaking philosophy is that we try to fund solutions rather than problems. And of course, you look for the best solutions to society's challenges everywhere. The Trusts' arts grantmaking makes this lesson clear in two ways: First, excellence in the arts is not the province of any one group. And, second, one of art's great gifts is to help us understand cultures and societies different from our own. We simply will not achieve excellence in our grantmaking unless we are open, inclusive, and diverse.*

*—Benna Wilde, managing director, Prince Charitable Trust*

# Ten Ways for Family Foundations to Consider Diversity and Inclusive Practices

## 1. Consider how diversity and inclusive practices relate to your family foundation's mission and values, including donor intent, purpose, and strategy.

*Simply using the word diversity in family philanthropy can preclude meaningful discussion, as it seems not to apply. But indeed it does apply if one takes a broader approach and considers inclusive practices as well as diversity. Family foundations start with family and what is meant by family. Slowly and deliberately, the Weaver Foundation found it helpful to decouple the family and the foundation. Today, not every family member has to be part of the foundation and not every foundation trustee has to be a family member. Making family involvement in the Weaver Foundation voluntary helped underscore the distinction between family and foundation.*

*—Richard (Skip) Moore, president of the Weaver Foundation,  
from Family Gatherings Webinar: Why Diversity and Inclusion Matter,  
November 10, 2009*

For family foundations considering diversity and inclusive practices, the best place to start—obviously—is with the family itself and its own core values. Family foundations, especially those no longer including founding donors, often seek to preserve the foundation's original purpose while staying abreast of changing family, social, and community conditions. Incorporating diversity and inclusive practices

may be as simple as adapting the language in your family foundation's mission or values statements. Language used by the foundation is one thing to consider. While a term like "worthy poor" may have had currency in the 1920s, its appearance in a foundation's mission might seem antiquated today. Consideration of diversity and inclusive practices might also prompt a review of the foundation's operating structure, its mission, or even the qualities sought in staff and board. There is no *one* right way. Your foundation's interpretation of inclusive practices will be most authentic when it represents your family's values *and* goals as a grant-maker. To navigate these waters, try initiating an open-ended discussion that allows trustees and family members to examine closely held values, the foundation's history and purpose, and personal experiences in an increasingly diverse and interconnected world. Rarely must trustees choose between either donor intent or diversity and inclusive practices. Creating room for these conversations can be one step in your family's philanthropic journey.

### Key questions to consider:

- ▶▶ How are the values of the foundation's family and founder represented in its mission?
- ▶▶ Does your foundation's language and mission signal a commitment to inclusive practices? How might diversity and inclusive practices advance your foundation's mission and the donor's original intent?
- ▶▶ What are the current and anticipated demographic and socioeconomic characteristics of the populations and regions that your foundation affects?
- ▶▶ What historical or community changes might inform or reinforce the foundation's original purpose? For example, if a foundation was created to help an ethnic immigrant group assimilate into a community, that mission might no longer be relevant considering the community's current status, demographics, or the group's aspiration.
- ▶▶ What, if anything, would diversity and inclusive practices have meant to the foundation's original donor?
- ▶▶ What do diversity and inclusive practices mean to your family today? How is inclusiveness relevant to the communities and issue areas in which the foundation operates?

## 2. Determine whether your board membership, volunteers, advisory committees, and governance offer opportunities to enhance the foundation's diversity and inclusiveness.

*A leader in the region providing feedback on our new program in 1994 stated bluntly, 'You can't succeed at this work [of addressing barriers that race and class pose for poverty reduction] and look the way you do.' He was right... We needed to bolster skills and experiences that contribute to our understanding pathways out of poverty in our region while at the same time assuring steady and astute governance of the foundation as an organization. Besides adding racial, ethnic, and socio-economic diversity to our board, we also balance family/non-family, generational, geographical, professional, and communications styles to ensure an effective board.*

*—David Dodson and Mary Mountcastle, board members,  
Mary Reynolds Babcock Foundation,  
from "Diversity in Action: Strategies with Impact,"  
Rockefeller Philanthropy Advisors, 2009*

Diversity, whether in age, gender, skills, or profession, can add dimension and perspective to family foundation boards. Even family foundations limiting board participation to family members can consider the diversity within the family itself. Family foundations might choose to map the skills and experiences currently represented on the board and then look to complement these qualities by engaging family members who are younger or older, who are spouses, who represent different political philosophies or professional experiences, who have different sexual orientations or identifications, or who exhibit other characteristics that would engage new voices and perspectives in advancing the mission of the foundation.



Family foundations might also consider establishing grantmaking advisory committees or invite individuals with specialized skills to participate in the grant review process. When permitted by charter and bylaws, non-family board members with direct involvement in the foundation's areas of work are sometimes invited to join the board. When handled with sensitivity and respect, the addition of non-family members to boards can lead to more responsive and collaborative grantmaking. Whatever path your family foundation chooses, clarify how decision making and governance will be delegated, divided, or shared to ensure that all family members, advisors, and non-family members know and appreciate their roles.

### **Key questions to consider:**

- ▶▶ What resources (e.g., legal, philanthropic, family, and issue-oriented expertise) are available to help your foundation's board consider diversifying board representation and advisor pools and to foster effective teamwork by an expanded group?
- ▶▶ What specific strengths, perspectives, and skills are already represented on your family foundation board? What strengths are or would be most effective in helping the foundation achieve its mission?
- ▶▶ Which family members or non-family participants have characteristics that might complement the board's existing skills and strengths?
- ▶▶ If permissible under your foundation's charter, how would changes to your board appointment and decision-making process help to enhance the foundation's impact?
- ▶▶ Do foundation governance practices (e.g., committee and investment strategies) inadvertently favor particular experiences and populations?

### 3. Cultivate an internal culture, policies, and procedures that reflect your foundation's commitment to diversity and inclusive practices.

*One primary shared value is that righting an injustice is best done by people directly affected by the injustice. ... Of course, we believe that people living in public housing in New Orleans shouldn't be left homeless when a neighborhood is redeveloped. But more than this, we believe they should have a say in what happens in their community. We may not agree on what the re-development plan should look like, but we can agree that folks in New Orleans should be involved in figuring it out. As a family foundation, there are only seven of us, but we're pretty diverse in our political perspectives. We may not agree on what to do about an issue ... (although generally our family does get along, so we're fortunate in that regard!), but we are committed to helping those who are affected find solutions. One of the reasons that focusing on youth organizing works for us is because we are not coming up with the answer to an issue ourselves.*

*—Ashley Snowdon Blanchard, president of the board, Hill-Snowdon Foundation, from "A Few Words With," a Web feature of SmartLink.org, July 2009*

A foundation's internal culture contributes to the way staff, board, donors, and volunteers feel about working together and, ultimately, to how effectively the foundation operates. An organization's culture is created and sustained by all its participants—in the actions and reactions of individuals as they interact with one another each day. Family foundations face distinct challenges when addressing the foundation's culture. While many nonprofits describe themselves metaphorically as "one big, happy family," often family dynamics literally influence family foundation operations, especially when family members serve as staff for the foundation. While policies and procedures can help clarify and depersonalize roles and responsibilities—in the space between formal policies and informal behavior—

exclusionary practices are almost always unintentional. Nevertheless, unchecked assumptions and unchallenged habits can produce a culture that consistently excludes people or fosters a lack of cooperation.

To identify your foundation's internal culture, it may be helpful to note how formal policies and procedures differ from accepted and informal practices—and then ask, “Why?” The formal policy may be unnecessary, require better communication, or call for stronger adherence. Another approach to discerning internal culture involves reviewing whether the foundation's internal operations align with its stated values. For families, this may include a discussion of the founder's values and aspirations for the foundation. Whatever form the review takes, it is important to note that, as in families, a positive culture is not without disagreement. Shared experiences addressing different perspectives and resolving inconsistencies can be valuable steps in sustaining a positive internal culture. These discussions provide the opportunity for family members and any other foundation stakeholders to work together to realize the foundation's full potential.

### **Key questions to consider:**

- ▶ How might the values that guide your foundation's external efforts be applied to its internal operations?
- ▶ How are decisions affecting the foundation's grantmaking, management, and strategies made?
- ▶ Is decision making (and the decision-making process) transparent to family members?
- ▶ Are divisions apparent; for example, does the family and/or board tend to divide along gender, age, relationship to founder, political philosophy, or other lines?
- ▶ How would the foundation's staff and board rate the foundation's internal working environment?
- ▶ If applicable, what is the foundation's staff and board retention rate? Is retention consistent across racial, age, family position, gender, class, or other identifications?
- ▶ If applicable, would staff from different functions (e.g., program, finance) or at different levels (e.g., executive, administrative) rate the culture, policies, and procedures differently?

#### 4. If staff and consultants are hired, consider individuals from diverse backgrounds.

*We use many factors to select board and staff members, ranging from compatibility with values and mission to commitment to serve to having a sense of humor. We look at the totality of the person being considered, including gender, race, ethnicity, and life experiences. ... We do this because it is the right thing to do. ... But, diversity and inclusiveness [of board and staff] ... helps us do our job better, to make better and more effective grants. We know more about real world viewpoints and experiences and are better able to make informed decisions. And it grounds us, making us more accountable to our grantees and their communities.*

*— Ann Wiener, granddaughter of Charles F. Noyes;  
Victor DeLuca, president, Jessie Smith Noyes Foundation;  
from “Diversity and Inclusion: Lessons from the Field,”  
Rockefeller Philanthropy Advisors, December 2008*

Most family foundations do not hire staff but instead rely upon the commitment and voluntary involvement of family members. For foundations choosing to hire staff or consultants, individuals with diverse backgrounds can bring direct experience with the foundation’s targeted issues and communities or simply different perspectives to the foundation’s decision-making process. While a diverse staff could be hired simply by checking different attributes off a list, an effectively inclusive staff incorporates many factors and qualities. The communities served and issues addressed by the foundation can help pinpoint how a candidate’s race, gender, class, sexual orientation and identification, economic circumstance, or other characteristics would advance the foundation’s work. Moreover, family philanthropies would be well served by individuals with the capacity to understand, show humility, earn trust, and work well with family members. Individuals who complement and augment the board’s perspectives and capacity will enhance foundation effectiveness. When confident of staff quality and capacity, a foundation board can more easily delegate the authority to execute the foundation’s work.

### Key questions to consider:

- ▶▶ Is your foundation's staff reflective and representative of and credible to the communities the foundation serves?
- ▶▶ If individuals from diverse backgrounds are employed, are they positioned as—or to become—decision makers?
- ▶▶ If individuals from diverse backgrounds are employed, how, if at all, has diversity in staffing influenced foundation decisions, effectiveness, and strategies?
- ▶▶ On average, how well are individuals from diverse backgrounds and experiences retained and promoted?

## 5. Seek contractors and vendors from diverse backgrounds, communities, and populations.

*Photographers, caterers, meeting planners, Web site developers, and publishers—there are many opportunities, we have learned, for our members to engage diverse vendors and suppliers in their work. As a regional association of grantmakers, we can help connect our members with these businesses, in part through connections with organizations, like the Michigan Hispanic Chamber of Commerce.*

*—Rob Collier, president and CEO, Council of Michigan Foundations*

Diversifying a family foundation's pool of outside vendors and contractors can put its non-grant dollars to work expanding diversity and inclusive practices. Foundations might choose locally owned businesses or those operated by owners from diverse backgrounds for evaluation and project management, facilities management, catering, or other administrative assignments. When a family foundation focuses its grantmaking in specific communities, it makes sense to consider targeting operating expenditures in those same communities. When your family foundation focuses its grantmaking in specific communities, it makes sense to consider how your operating expenditures and contracting resources (non-grant

resources, for example) could be expended in those communities as well. If your grantmaking is intended to benefit nonprofits or schools that foster entrepreneurship, for example, consider how your non-grantmaking or operating resources could be used to support new start-ups or businesses focused on providing young people with job skills or businesses owned by individuals from diverse backgrounds. By comprehensively examining contractor and vendor relationships, this holistic approach can greatly stretch your foundation's resources and help to reinforce your foundation's mission and impact. These efforts also strengthen local economies.

### **Key questions to consider:**

- ▶ Do your foundation's business contracts and vendors reflect and represent diverse communities?
- ▶ What contracting and vendor policies and procedures might lead to greater inclusiveness?
- ▶ Do the foundation's contracting policies (e.g., rules regarding amount of liability insurance, number of employees, and number of existing clients) unintentionally disqualify smaller, emerging, or less well-capitalized vendors?
- ▶ Might the foundation tap into larger or different networks when seeking recommendations for vendors? In other words, are there vendors you are missing because you have not yet served philanthropic clients?

## **6. Explore investment options that would support diversity and inclusive practices.**

Diversifying investment strategies is another way to promote diversity and inclusive practices with non-grant dollars. Beyond choosing investment firms or managers with diverse backgrounds, family foundations should consider scrutinizing the type of investments made and the goods and services supported by the foundation's endowment. Investing with an eye toward diversity and impact can help foundations establish a link between mission and investment strategy. While it may not be feasible to take this approach with total assets, more and more foundations are considering mission-related investing, a practice promoted in 2007 by More for Mission: The Campaign for Mission Investing. Initiated by the Annie E. Casey Foundation, the FB. Heron Foundation, and the Meyer Memorial Trust, the project encourages and assists private, community, and corporate foundations in aligning foundation investments with their mission while maintaining long-

*In addition to competitive returns, harmonizing mission and finance add value to the impact of the foundation’s mission. If you are concerned about legality, call your lawyer and ask how to do it, not if you can. The process is fun, a word not often used in the same sentence with finance. Everyone—board, staff, and even, occasionally, grantees—becomes engaged in all aspects of the foundation’s mission, and that is truly an essential aspect of meeting fiduciary duty.*

*—Stephen Viederman, former president of the Jessie Smith Noyes Foundation, from “Foundations Can Be Smarter Investors,” *Philanthropy Journal*, November 17, 2008*

term, targeted financial returns. A range of investment products are available for family foundations to consider, including community banks that serve low- to moderate-income areas, public equity funds that set standards and advocate for change, venture funds that support environmental sustainability, and real estate funds that promote social equity. Even when the foundation’s mission does not readily suggest specific social investments, socially responsible investing can align operating expenses with the foundation’s values.

### **Key questions to consider:**

- ▶▶ What is the foundation’s current investment strategy?
- ▶▶ How might investment strategies complement your foundation’s mission and values?
- ▶▶ How might investment strategies and policies represent a commitment to diversity and inclusion?
- ▶▶ How often does the foundation reassess investment consultants and look for inclusivity in finding consultants?
- ▶▶ How inclusive is the committee that oversees the foundation’s investment policies and performance?
- ▶▶ Does the foundation practice community investing to broaden diversity and inclusion and deposit its cash accounts in community financial institutions?

## 7. Consider and enhance the impact of your foundation's grantmaking on diverse communities and populations.

*At Atlantic Philanthropies, we have added a significant component to our aging work focused on communities of color because we came to realize that the paradigm we and our grantees are trying to advance—the tremendous asset represented by older adults, who increasingly have the longevity, commitment, time, and financial security to make social contributions long after what has been considered “normal” retirement age—is grounded in a white, middle-class worldview ... [this] doesn't work for everyone. Not, for example, for an African-American seamstress in Cleveland who takes care of two grandchildren while giving 20 hours a week to church or a Puerto Rican maintenance worker in the Bronx who can't afford to retire. Sometimes these connections are present in our work but it takes a while, or an outsider's perspective, to see them clearly.*

*—Gara LaMarche, president and CEO,  
The Atlantic Philanthropies, from “Taking Account of Race: A Philanthropic Imperative,” a speech given in October 2008 at Georgetown University*

Determining whether and to what extent your foundation's grantmaking serves diverse communities may require efforts to begin tracking the number and dollar amount of grants awarded in diverse communities. But grasping the totality and quality of your programmatic activities with regard to diverse communities requires both quantitative and qualitative data. Internal conversations among board members as well as outreach to community leaders and nonprofits will help illuminate the foundation's impact in diverse communities. The process may



reveal opportunities to enhance the foundation's impact by reaching out to underserved communities through relatively simple strategies of enhanced engagement. Depending upon your foundation's size, history, and grantmaking focus, underserved communities might be communities of color, low-income families, immigrants, rural towns, or the elderly. You might also consider assessing and encouraging inclusive practices within your pool of grantees by requesting that applicants report the composition of their staffs, boards, and those whom the organization serves.

Far from operating as an exact science, this exploration of diversity in grantmaking will require feedback from nonprofits and communities in an ongoing process of connecting impact and inclusion in all your work.

### **Key questions to consider:**

- ▶▶ How, if at all, does your foundation measure the impact of its grantmaking on specific communities and populations, and on diverse and traditionally underserved communities?
- ▶▶ Does your foundation's grantmaking process, including outreach activities, application procedures, and award decisions, involve individuals representing the population groups that your grantmaking aims to affect?
- ▶▶ Do your foundation's grantmaking committees reflect the demographics of your region or the population groups most affected by your grantmaking strategy and purpose?
- ▶▶ Are there unintended disparities between declined applicants and awarded applicants?
- ▶▶ What grantmaking strategies and policies might lead to greater inclusiveness?
- ▶▶ What skills and resources would your foundation need to increase its impact on diverse communities?

## 8. Consider ways to model inclusive practices in your role as a community and philanthropic leader.

*When our family decided to focus our philanthropy in San Diego's Diamond Neighborhoods, we were committed to work in partnership with residents—to do with, not for. The Diamond is a culturally vibrant community with 20 cultural groups speaking 15 different languages among its 88,000 residents. We started by meeting with small groups of residents in living rooms to see what people liked about living there and what they wanted to see for the future. Those conversations led to Ethnic Nights, where each cultural group would educate others about their cultural heritage and tradition, and culminated in one event where all cultures were celebrated. This cross-cultural education and sharing broke down barriers between people. It created an atmosphere of respect and trust on the resident working teams that planned, designed, built, leased, and now own and operate Market Creek Plaza. The Plaza became a place where all cultures could see themselves, and we learned that the celebration of art and culture was a powerful organizing force.*

*—Valerie Jacobs, trustee of The Jacobs Family Foundation  
from Family Gatherings Webinar: Why Diversity and Inclusion Matter,  
November 10, 2009*

Some family foundations are uniquely positioned to play leadership roles in their communities, acting not simply as grantmakers but as clearinghouses for issue-based knowledge and relationships. Whether sponsoring a community meeting to discuss home foreclosures or convening scientists to share medical research findings, a convening foundation's resources are likely to attract diverse talents and an eager audience. By engaging the group and developing its diverse

talents, the foundation can demonstrate its commitment to diversity and inclusive practices and serve as a model for elected leaders, peer foundations, nonprofit organizations, and others in the community and field. When done well, an inclusive approach to solving problems and making decisions has been found to unleash greater creativity and yield better results. Foundations willing and able to play this role can both advance their missions and position themselves as trusted and valued leaders.

**Key questions to consider:**

- ▶▶ Does your foundation play a convening role in your community?
- ▶▶ What specialized skills does the foundation need to become an effective and inclusive convener?
- ▶▶ Do gatherings planned or led by your foundation include diverse leaders and attract a diverse audience?
- ▶▶ Does your foundation measure the success it has had playing a leadership or convening role? How might issues of diversity and inclusion be included in this assessment?

**9. Assess how your foundation is perceived by the public, especially by diverse populations, grantees, applicants denied funding, and organizations that have not sought funding from your foundation.**

*Diversity and inclusive practices long have been implicit in how we do our work because we focus on large challenges by building networks, convening diverse stakeholders, and staying with issues over the long term. Still, we had never done any deliberate data collection or explicitly stated our expectations around diversity. Over the last couple of years, and continuing today, we've worked to establish what diversity and inclusion means explicitly to Rockefeller Brothers Fund (RBF) and our mission. As a family foundation working internationally on a variety of program areas, getting explicit about diversity has proven to be a bit complicated. Compared with direct-service, our public policy and advocacy work adds a degree of difficulty when assessing whether and how well you've engaged diverse perspective and groups. So, rather than a one-size-fits-all approach or metric, RBF is seeking to embed diversity and inclusive practices in all our work, from our operations and organizational culture to grantmaking to stakeholder engagement. In the end, we want RBF's commitment to diversity and inclusive practices—which begins with our core values, our board, and the president—to be in the minds of all staff and, hopefully, in the minds of grantees as well. This seems to be the best way to ensure accountability both to our own core values and to the public.*

*—Betsy Campbell, vice president for Rockefeller Brothers Fund*

Public trust is earned arduously and lost easily. In the quest for trust, family foundations often fight an uphill battle, confronted with general misunderstandings about the purpose of philanthropy and issues of donor intent. Regrettably, family philanthropists are sometimes plagued by the tendency of a few bad apples to garner a preponderance of public attention. Program success often begins when key stakeholders start to view the foundation as a committed and trusted partner. Alternatively, public skepticism or poor perceptions can stop even the well-conceived programs in their tracks. Before embarking on efforts to improve outreach to diverse communities, foundations may want to assess how they are perceived internally and externally. Staff and board assessments, as well as outreach to community leaders, grantees, and—to the extent possible—the general public can provide insights into how the foundation is viewed by diverse communities and what impact these views have on the foundation’s mission. The foundation might ask, “What are we doing well and what can we do better?” These efforts can be a first step in telling the foundation’s story, making its commitment to diversity explicit, and positioning the foundation as an accessible, trusted resource.

### **Key questions to consider:**

- ▶▶ Has your foundation sought feedback from grantees, applicants, and the general public regarding its accessibility, policies, and mission?
- ▶▶ Are applications from organizations representing diverse groups increasing, decreasing, or remaining the same?
- ▶▶ What level of capacity, skills, and resources are needed to address perception issues? Does the foundation have, or have a plan for developing, this capacity?
- ▶▶ Is family legacy a bridge or a barrier to generating positive public perception?
- ▶▶ What proactive measures might help to improve the public perception of your foundation among diverse communities?

## 10. Share what your foundation is learning about diversity and inclusive practices.

*Sharing what the Dyson Foundation is learning with the community and with nonprofits has not always been as important as it is today. Over the last four years, a focus on learning and sharing has taken hold and has become the way we do business. The 2002 and 2007 Dyson Foundation-Marist Institute for Public Opinion surveys and resulting reports, Many Voices One Valley, drove this shift. The first report came from the board and staff realizing that suburban, rural Mid-Hudson Valley (New York) was changing in many ways, including becoming home to more and more immigrants. We wondered how newcomers from diverse backgrounds and long-time residents related to one another. We felt that the community was changing very quickly, but we wanted data that could teach us, and others, what we needed to know to work together on these issues. Staff and board worked closely with Marist Institute for Public Opinion to develop questions that would help the region understand the community's perceptions, strengths, and challenges. The outcomes have been nothing but positive. The reports helped us focus on a basic, and solvable, issue: many organizations and services in the community did not have staff who could speak Spanish or any other languages spoken by new immigrants. This led Dyson to support increasing English as a Second Language (ESL) courses. We also changed our grant application forms to request the number of employees who spoke Spanish or another language. Because we shared the reports widely, we were able to spur activities beyond Dyson. The local United Way and community college created a Spanish course specifically designed for social workers with Spanish-speaking clients. And, while we can't claim credit, we also have seen new, grassroots organizations spring up, led by people of Latin descent, to help integrate newcomers into our community.*

*—Michell Speight, director of programs, The Dyson Foundation*

Sharing lessons learned about diversity may be the most powerful yet least performed suggestion in this guide. Because diversity and inclusive practices include a continually evolving set of ideas and strategies, sharing what has been learned is critically important. Yet, opportunities to share and reflect on these topics come too infrequently. In a field sometimes criticized for overemphasizing process, foundations rightfully want to spend time working toward diversity and inclusive practices, not discussing it. But, with the stakes so high, sponsoring data collection and research can help focus community attention and inform challenging conversations. With their standing in and long-term commitments to their local communities, family foundations are uniquely positioned to support research and share what they've learned about diversity and inclusive practices. In doing so, these foundations are likely to advance tolerance and spur actions that go far beyond their own initial investment. Increasingly, foundations are sharing their approaches to diversity and inclusive practices through annual reports, commissioned studies, Web sites, social media, and personal narratives. By tracking and sharing your foundation's efforts, you will provide concrete evidence that diversity and inclusive practices in philanthropy result in greater effectiveness and impact.

**Key questions to consider:**

- ▶▶ Does your foundation track its progress in becoming more diverse and inclusive?
- ▶▶ How are key successes, challenges, and lessons learned shared within your foundation?
- ▶▶ Who could benefit from the lessons learned in your foundation?
- ▶▶ What are the most appropriate times and venues for your foundation to share what you have learned about diversity and inclusive practices?
- ▶▶ Who are the best foundation representatives to share these lessons?

# Resources

## To read:

1. Scott E. Page, *The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies*, Princeton University Press, 2007.
2. Brielle Bryan, “Diversity in Philanthropy: A Comprehensive Bibliography of Resources Related to Diversity Within the Philanthropic and Nonprofit Sectors,” Foundation Center, 2008;  
<http://www.foundationcenter.org/getstarted/topical/diversity.html>
3. Lawrence T. McGill and others, “Benchmarking Diversity: A First Look at New York City Foundations and Nonprofits,” Foundation Center, 2009;  
[http://www.philanthropynewyork.org/s\\_nyrag/bin.asp?CID=13586&DID=30307&DOC=FILE.PDF](http://www.philanthropynewyork.org/s_nyrag/bin.asp?CID=13586&DID=30307&DOC=FILE.PDF)
4. Selected resources from Rockefeller Philanthropy Advisors and the Council on Foundations:
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## Get to Know:

1. **Council on Foundations: Diversity & Inclusive Practices**  
<http://www.cof.org/programsandservices/diversity/>  
 The Council on Foundations has a comprehensive plan to both promote and advance diversity and inclusive practices in philanthropy and to embed and institutionalize diversity within the Council.
2. **Diversity in Philanthropy / D5**  
[http://www.diversityinphilanthropy.com/about\\_us/proj\\_descrp/](http://www.diversityinphilanthropy.com/about_us/proj_descrp/)  
 The Diversity in Philanthropy Project is a voluntary effort of leading foundation trustees, senior staff members, and executives committed to increasing diversity throughout the field through open dialogue and strategic action.
3. **Forum of Regional Associations of Grantmakers (the Forum)**  
[http://www.givingforum.org/s\\_forum/search\\_new.asp?CID=35&DID=42](http://www.givingforum.org/s_forum/search_new.asp?CID=35&DID=42)  
 The Forum's online Knowledgebase—a collection featuring resources from 32 regional associations, their 4,000 grantmaking foundation members, and colleague philanthropic partners—offers a list of current reports and articles related to diversity in philanthropy.
4. **Center for Effective Philanthropy (CEP)**  
[http://www.effectivephilanthropy.org/assessment/assessment\\_gpr.html](http://www.effectivephilanthropy.org/assessment/assessment_gpr.html)  
 CEP, in consultation with foundation leaders and grantees, is developing a new module of questions on racial diversity for its grantee survey.
5. **The Aspen Institute Roundtable on Community Change**  
<http://www.aspeninstitute.org/policy-work/community-change/structural-racism-resources>  
 The Roundtable on Community Change focuses on the problems of distressed communities and seeks solutions to individual, family, and neighborhood poverty by convening leaders, conducting applied and policy research, serving as a technical advisor, and distilling lessons. The roundtable's work focuses on two areas: community change and structural racism.
6. **Government Resources:**
  - a. Standards for the Classification of Federal Data on Race and Ethnicity, U.S. Office of Management and Budget, August 1995;  
[http://www.whitehouse.gov/omb/fedreg\\_race-ethnicity/](http://www.whitehouse.gov/omb/fedreg_race-ethnicity/)
  - b. Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity, U.S. Office of Management and Budget, accessed on the U.S. Census Bureau Web site, December 21, 2009;  
<http://www.census.gov/population/www/socdemo/race/Ombdir15.html>





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