

THE VOICE OF NONPROFIT TALENT

Perceptions of Diversity
in the Workplace

A national study
produced in partnership by
COMMONGOOD CAREERS &
LEVEL PLAYING FIELD INSTITUTE

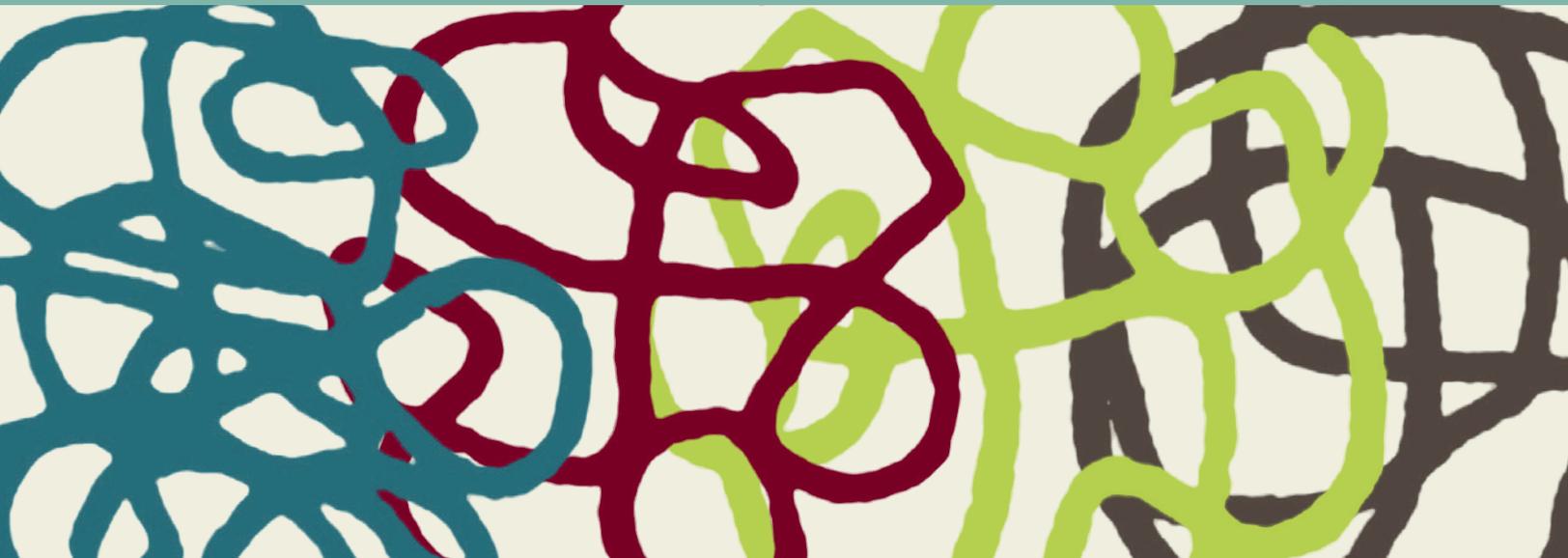
Robert Schwartz
James Weinberg
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Allison Scott



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FOREWORD



The Voice of Nonprofit Talent: Perceptions of Diversity in the Workplace report focuses on one of the most significant challenges faced by the nonprofit sector—**building and sustaining diverse organizations**. The nonprofit sector’s collective ability to attract, retain, and advance people of color determines the quality of talent and directly impacts our ability to meet our respective missions.

I’ve had the privilege of working with one of the authors of this report, James Weinberg, and have seen him demonstrate extraordinary leadership in highlighting the importance of talent and diversity in nonprofit organizations. Along with his colleagues at Commongood Careers and Level Playing Field Institute, this report further emphasizes the vital role that diversity and inclusion play across organizations.

The Voice of Nonprofit Talent is a valuable report because it shares the views of nonprofit employees—those in our own sector—on diversity and inclusion. Unfortunately, the picture is not pretty. Evident is the wide gap between the diversity of the sector’s leadership and the population at large—a gap that isn’t narrowing quickly enough. Another striking finding in the report is the degree to which actions speak more effectively than words. Candidates and employees consider the diversity of senior management teams to be one of the truest indicators of an organization’s commitment to diversity. Expressions of commitment and good intentions are not equal to seeing people of color in positions of leadership. Additionally, employees desire a work environment in which inclusion is embedded in the daily experience.

Some of the adverse experiences of candidates and employees cited in this report leave one thinking, “*We can do much better than this.*” Each day, corporations that value diversity develop strategies to recruit the diverse talent they need to succeed in the marketplace and secure their futures. Every year numerous lists are produced that showcase the best employers for people

of color. It is rare that nonprofits are on these lists. The nonprofit sector is playing catch-up.

Our missions are compelling and offer a recruiting advantage, but alone they’re not enough. People of color want to work in organizations where they have the same chance for success as other employees. They want to work in organizations that welcome and value the differences in perspective and experience they bring.

It’s time for our CEOs and boards to exercise leadership by translating good intentions into concrete results. Addressing diversity and inclusion cannot wait until the economy fully recovers, until the budget is balanced, or until all of the other issues that are traditionally prioritized above an organization’s “people focus” have been addressed.

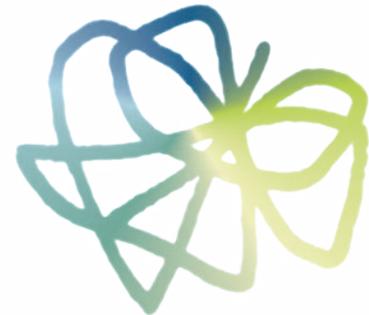
Creating a diverse and inclusive environment cannot be merely delegated to human resources or a chief diversity officer. Personal commitment followed by action—particularly from the highest leadership level—is the only way to make progress in advancing more people of color to senior roles. We cannot treat the diversity objective as something to “work towards” gradually, over decades. Time is running out. When the economy recovers, we will again be competing with organizations that offer more money, better perks, more resources, and, in many cases, concrete evidence that they value diversity.

The nonprofit sector has the potential to set the national standard in fostering diversity. I am confident that our sector can still claim a leadership role in creating diverse and inclusive environments. The time to act is now.

Michael Watson
Senior Vice President, Human Resources and Diversity
Girl Scouts of the USA



The Voice of Nonprofit Talent: Perceptions of Diversity in the Workplace



Organizational Diversity: A Time for Action

Across the nonprofit sector, most employers share the belief that racial diversity is a key component of organizational health, performance, and outcomes. Yet, according to today's nonprofit talent, few organizations are doing enough to attract and retain professionals of color. There is a perceived gap between the intentions and actions of nonprofit organizations when it comes to promoting staff diversity.

A common perception held by nonprofit professionals is that their employers value diversity, but that those

values are not being translated into actions resulting in the creation of diverse and inclusive workplaces. For organizations seeking to increase the racial diversity of their staff, or retain their current employees of color, the ineffectiveness of mere "good intentions" around issues of diversity and inclusiveness presents a looming problem.

How committed are nonprofit organizations to creating racially diverse and inclusive work environments? What does it take to effectively recruit and retain employees of color? How do workplace demographics play into perceptions of staff inclusiveness and impact career decisions, especially among people of color? Why do many people of color choose to leave organizations, and in some cases, the sector all together?

The following pages examine these questions in detail and propose recommendations to help nonprofits move beyond ideals and into the reality of sustainable organizational diversity.

A NOTE ON FOCUS

We recognize that diversity as both a word and a concept can be defined and understood in many different ways. While we fully acknowledge and believe in the importance of all forms of diversity, we have chosen in this report to focus specifically on racial/ethnic diversity and related issues throughout the nonprofit sector.

When using the word inclusiveness in this report, we believe and seek to communicate that inclusive environments are not only free from bias and discrimination in all forms, but also proactively remove barriers to full participation by valuing and supporting individuals from all backgrounds.



THE STATE OF RACIAL DIVERSITY IN THE SECTOR

Numerous studies have examined the racial makeup of the nonprofit sector, particularly the underrepresentation of people of color in leadership and governance roles.¹ A common finding is that the nonprofit workplace is not keeping up with demographic shifts in the general population.

According to the U.S. Census, approximately 30 percent

of the population is comprised of people of color, a figure that is expected to grow to 50 percent by 2042.² The Hispanic/Latino population is one of the fastest growing minority groups in the country, currently representing 15 percent of the overall population.³ These population increases are already contributing to changes in the labor pool. Within the next five years, more than 43 percent of new entrants to the workforce will be people of color.⁴

Shifts in the general population underscore the need for nonprofit organizations to reflect the diversity of the communities they serve. However, the makeup of the nonprofit sector does not appear to reflect these changes. Today's nonprofit employees are approximately 82 percent white, 10 percent African-American, five percent Hispanic/Latino, three percent other, and one percent Asian or Pacific Islander.⁵ The gap in representation is more pronounced in nonprofit governance, where only 14 percent of board members are people of color. Similarly, in specialized functions such as development, less than six percent of roles are filled by people of color.⁶

When examining organizational leadership, the gap persists. According to the 2006 report by the Nonprofit Leadership Alliance (formerly American Humanics), up to 84 percent of nonprofits are led by whites, and 9.5 out of 10 philanthropic organizations are led by whites.⁷ There also appears to be a barrier to advancement within senior management, where people of color hold 15 percent of deputy director positions but only 10 percent serve as executive directors.⁸ According to two national surveys of nonprofit leadership, people of color are significantly more likely to be an organization's primary clientele than they are to be its executive directors or deputy directors.⁹

1. For more info on studies that benchmark racial demographics in the nonprofit sector, please refer to: Peters and Wolfred, 2001; Weitzman, Jalandoni, Lampkin and Pollak, 2002; Urban Institute 2005; BoardSource 2007; CompassPoint and Meyer Foundation, 2006
2. U.S. Census Bureau
3. Greenlining Institute
4. "Employment Outlook 2006-2016," U.S. Bureau of Labor Statistics

5. Peters and Wolfred, 2001; Weitzman, Jalandoni, Lampkin and Pollak, 2002
6. Chronicle of Philanthropy; Association of Fundraising Professionals
7. "Workforce Issues in the Nonprofit Sector," American Humanics, February 2006
8. "Change Ahead," Anne E. Casey Foundation, 2004
9. "Daring to Lead 2006," CompassPoint, The Meyer Foundation, 2006

OBSTACLES TO CREATING STAFF DIVERSITY

Within the nonprofit sector, the interest in increasing diversity is practically universal, and there is a widely-held belief that greater diversity is a key lever of organizational success. However, recent research suggests that many organizations come up against a number of obstacles when it comes to attracting and retaining a diverse workforce:

Recruitment Obstacles

A 2008 report by Johns Hopkins found that organizations report that it is nearly 2-3 times as difficult to recruit people of color in fundraising, program and other functional areas.¹⁰ Among the most common recruitment challenges are poor access to diverse networks, interview methods that fail to demonstrate an organization's commitment to diversity, and rushed hiring processes that do not allow for adequate time to develop diverse candidate pools.

Retention Obstacles

As described in the 2007 Corporate Leavers Survey conducted by the Level Playing Field Institute, many employees of color experience the presence of bias and unfair treatment in the workplace, which leads to employee turnover and the related financial costs for companies and organizations.¹¹ The costs associated with recruiting and filling a vacancy, including lost productivity and the cost of training a new employee, can range from 30 to 150 percent of an employee's salary.¹²

Prioritization Obstacles

Numerous studies and articles have suggested that the commitment to diversity must come from the top.¹³ More often than not, when staff diversity is not regarded as an urgent priority, leadership does not take ownership over the issue and resources are not allocated to properly support diversity efforts.

Survey Methodology

Given the documented challenges with diversifying the nonprofit sector, this study sought to examine racial diversity within the nonprofit sector from the perspective of a large sample of current and former nonprofit employees by exploring several research questions:

1. How committed are nonprofit organizations to creating racially diverse and inclusive work environments?
2. How do perceptions of organizational diversity and inclusion impact career decisions, especially among employees of color?



METHODS

To answer these research questions, an electronic survey was constructed and disseminated to current and former nonprofit employees across the United States. The survey consisted of 28 questions assessing individual's perspectives on racial diversity in nonprofit organizations (e.g., how much does your employer value diversity) and employment outreach strategies (e.g., job-seeking, evaluating potential employers), and 10 demographic questions (e.g., age, race/ethnicity, gender, etc.). This survey was promoted through the Commongood Careers email newsletter list to 25,000 subscribers, as well as membership groups like Young Nonprofit Professionals Network, programs like AGM Diversity Fellowship Program, and publications like Philanthropy News Digest. Data was collected from July to October 2010. A total of 1,882 participants responded to the survey. Missing and

10. "A Nonprofit Workforce Agenda: Report on the Listening Post Project Roundtable on Nonprofit Recruitment and Retention," Center for Civil Society Studies, Johns Hopkins Institute for Policy Studies, 2008

11. "Corporate Leavers Survey," Level Playing Field Institute, 2007

12. "Do You Know Where Your Talent Is," Deloitte, 2004; "The Cost of Employee Turnover," William G. Bliss

13. There are many studies and articles on the need for leadership to demonstrate a commitment to diversity. A selected bibliography includes: "Developing Standards for the Collection of Data on Diversity in Philanthropy," The Foundation Center, September 2009; "Nonprofit effectiveness – Inclusiveness matters: The case for dialogues that reach across difference," Hyde, 2003; "Beyond numbers and compliance: Valuing of cultural diversity in national nonprofit capacity-building organizations," Bartlett, C.V., 2003

incomplete data was omitted (12% of sample), resulting in a demographically diverse and sample of 1,638 participants.

SAMPLE

A total of 1,638 current and former nonprofit employees participated in this study. Females accounted for 75% of the sample, and the majority of the sample was comprised of younger participants, with individuals between the ages of 20-39 accounting for 58% (See Figures 1 and 2). The majority of the participants were white (60%), yet individuals from a range of other racial/ethnic groups were also represented, including African-American/Black (20%), Hispanic/Latino (7%), Asian/Pacific Islander (6%), and multiracial (4%; See Figure 3). Fifty-eight percent of the sample had obtained Master's Degrees, and 37% held Bachelor's Degrees as their highest level of educational attainment (See Figure 4). The annual salary of employees ranged from under \$30,000 to over \$120,000 per year, with the largest group (40%) earning between \$30,000-69,000 per year (See Figure 5).

SURVEY PARTICIPANTS

Figure 1
Gender

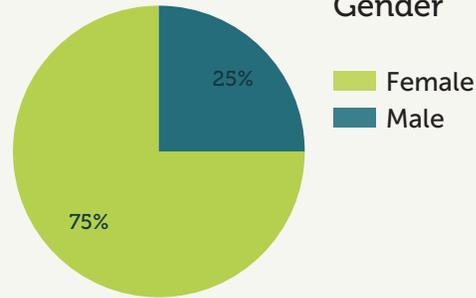


Figure 2
Age

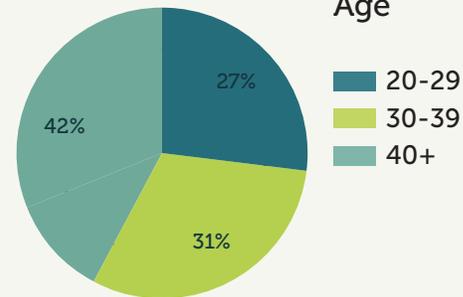


Figure 3

Race/Ethnicity

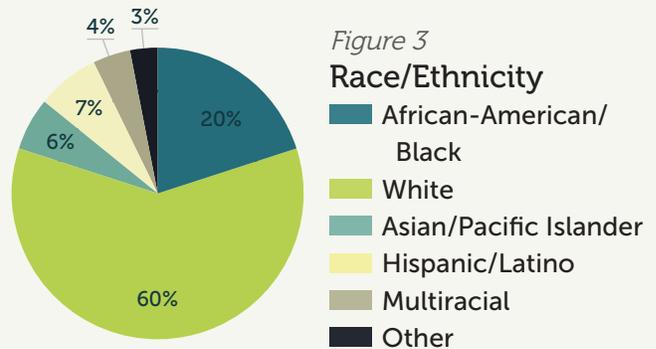


Figure 4

Education

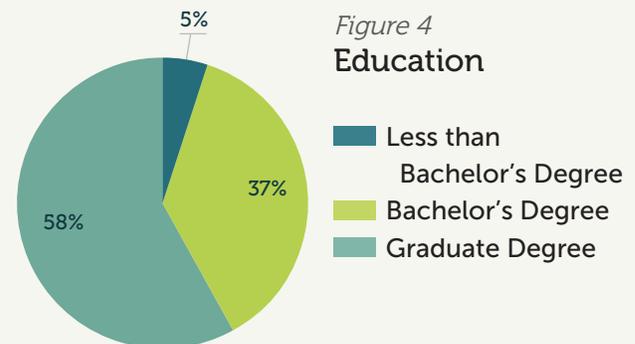


Figure 5

Annual Salary



Survey Findings

IS IT ENOUGH TO VALUE DIVERSITY BUT NOT ACT ON IT?

A significant disconnect exists between the stated values and beliefs of nonprofit organizations regarding the importance of racial diversity, and their attempts to proactively increase diversity and inclusiveness within their organizations. Across the sample, employees described the nonprofit organizations where they work (or worked) as entities that value racial diversity and inclusiveness; yet, they view their organizations as not making significant strides to turn those espoused values into action and results.

While almost 9 out of 10 employees believe their organization values diversity, more than 7 out of 10 believe their employer does not do enough to create a diverse and inclusive work environment.

- Among employees who believe their employers value diversity, only one-fourth (25%) believe that their organization has actively demonstrated their commitment to creating a racially diverse environment.
- This disconnect was particularly evident among employees of color, who were more likely than were white employees to hold negative views of their organizations' actions towards creating a racially diverse environment (25% compared to 16%).

Two common themes emerged from the responses of employees who believed their organizations were not doing enough to create racially diverse environments: (1) reliance on "empty talk" but not action, and (2) the lack of staff diversity itself.

Employees highlighted the lack of follow-through, specifically in the lack of actionable practices in hiring, professional development, and designation of leadership roles to increase the inclusion of employees from racially diverse backgrounds. They believed that organizations talked about valuing diversity (and

in some cases, they believed that the organizations genuinely did value diversity), but that these values were either not strategically implemented or not prioritized by management.

They also believed that diversity was put on the back-burner when discussing budget priorities, developing strategies for recruitment, and focusing on deliverable goals. Open ended responses highlight some of this disconnect. An African-American female who is a 16-year veteran of the nonprofit sector explains, "[My employer] says they value diversity and inclusiveness but it is always the last line item in the budget."

Employees also perceived organizations as failing to comprehensively commit to diversity and inclusiveness throughout all aspects of the organization. They were particularly troubled by the lack of racial diversity in staff across ranks, particularly at the management level. The lack of diversity in leadership was viewed as hypocritical and led to the belief that the organization's commitment to diversity has been superficial.

A multi-racial male with six years of experience in the nonprofit sector adds, "My employer's commitment to diversity feels like it's a diluted claim as there is little diversity here." Similarly, an African-American female with 10 years in the sector adds, "Management values diversity in theory, but has not put in place the training and professional development to ensure that managers of color can be promoted to the director level ... we have not committed to diversity across all levels of the organization (administrative, program management, director, senior leadership)."



HOW DO PERCEPTIONS OF DIVERSITY AND INCLUSIVENESS IMPACT EMPLOYEES?

Nonprofit employees within this study indicated that they are perceptive of how diversity and inclusiveness is valued and prioritized within their organizations. So how do these perceptions affect employees and does

diversity and inclusiveness really matter? Responses from nonprofit employees reveal that perceived diversity and inclusiveness within organizations significantly affects both the recruitment process and the retention of employees, especially employees of color.



IMPACT ON RECRUITMENT

Common themes emerged to reveal ways in which individuals evaluate the commitment to diversity of nonprofit organizations, including examining staff and leadership diversity, analyzing subtle cues and language, researching organizational culture, and utilizing the interview panel to evaluate and ask specific questions about diversity and inclusiveness.

More than half (57%) of the employees of all races within this sample reveal that they attempt to evaluate the commitment to diversity of prospective organizations during the interview process—and this is especially true for prospective employees of color (71%).

Respondents frequently noted their attempts to evaluate subtle cues, “get a feel for the culture,” and pay close attention to the language used by the interviewer(s) in order to “examine verbal cues that imply lack of experience or sensitivity with diversity.”

Ultimately, however, the actual diversity of an organization’s staff was by far the strongest indicator to nonprofit employees of that organization’s genuine commitment to diversity. In other words, employees looked for proof in the form of realized—not theorized—staff diversity. In this survey, 90 percent of the sample believed that actual staff diversity is the number one indicator of an organization’s commitment to diversity and inclusiveness.

Respondents also discussed conducting research on organizations prior to applying, with a specific focus on organizational culture, staff and board diversity, and

perspectives of people of color from outside of the organization. A multi-racial male with 5 years in the sector elaborates, “I pay close attention to the language used by the interviewer and others in the office. I check their websites and check especially the names of the supervisors, managers, and board of directors.”

TALENT SPEAKS: EXPERIENCING BIAS IN THE INTERVIEW PROCESS

“During a recent job search, I experienced a few instances of unfair treatment that seemed to be related to my race and background.

“At one organization, I found myself interviewing for an education reform nonprofit that also seemed to want to hire a specific racial profile. During the final interview, I was asked questions about my background that didn’t seem relevant to the position, such as about growing up in the inner city or being able to manage a career as a single mother. Then, the interviewer made a comment that I’d be able to relate to the students in the program. I felt like the employer was making unfair assumptions about me. I ended up opting out of the interview process, even though this was an organization that had really interested me.

“In other interview situations, the racial components felt more subtle. I just didn’t want to believe that potential employers were treating me with such bias. For 10 months, I had an interview nearly every week and it seemed like a number of interviewers were surprised to learn that I am smart, articulate and capable. From when I walked in the door, I felt like they just saw an African-American woman, and then they made assumptions about who I was. I finally found an organization that seemed excited about me, as opposed to what I represented to them.”

—African-American woman, San Francisco Bay Area, seven years of experience in the nonprofit sector



In addition to evaluating the commitment of organizations to racial diversity and inclusiveness, respondents also indicate that diversity factors into the decision-making process for prospective employees. Employees who view prospective organizations as lacking a genuine commitment to diversity may either decline offers from these organizations or choose to not apply in the first place.

- 16 percent of the total sample (n=261) reported having withdrawn their candidacy or declined a job offer due to a perceived lack of diversity within the organization.

- More than one-third (35%) of the people of color who indicated that they examine diversity during the hiring process, reported having previously withdrawn candidacy or declined a job due to a perceived lack of diversity and inclusiveness.

The recruitment issue is complex, and solely focusing on individuals who reported declining a job overlooks the individuals who stated that they would likely decline a job in the future, or had chosen not to apply to organizations because of perceived lack of diversity and inclusiveness. Nonprofit employees in the study indicated that they limit their application submissions

YOUTHBUILD USA: "DIVERSE TEAMS DO BETTER WORK"

YouthBuild USA is a youth and community development program that addresses core issues facing low-income communities. Since its inception, YouthBuild USA has taken a thoughtful approach to creating a diverse and inclusive organization. President and Founder, Dorothy Stoneman, instills the belief that diverse teams do better work when compared with teams that lack diversity, particularly around decision-making. As Dorothy puts it, "If there aren't people of color around the table, we're going to make the wrong decisions. Race defines a fundamentally different perspective."

Taking cues from its leadership, YouthBuild USA continuously aspires to be an organization where all employees feel included and valued. Diversity work is seen as an ongoing process, and the organization has made an investment of time, staff and financial resources, including a 2-year engagement with a diversity consultant. The output of this work includes the creation of diversity policies and the formation of a Diversity Working Group to lead ongoing trainings and activities.

The organization's diversity policies influence employee recruitment. For example, YouthBuild USA ensures that there is a diverse and qualified candidate pool at every

stage of the hiring process. The HR team works to identify and pursue people of color for leadership roles in particular, and all employees are encouraged to circulate job postings to the people of color in their personal networks.

YouthBuild USA's commitment to diversity is ingrained in the fabric of the organization. Employees are encouraged to openly discuss the impact of race on decision-making and leadership within the organization. YouthBuild USA strives to bring these issues to the forefront and address them in ongoing dialogue.

As a result of these efforts, YouthBuild USA has built a dynamic and multicultural workplace, as well as an extremely successful organization that serves over 2,000 young adults each year. With a total staff of 77, the majority of employees are people of color, including 63 percent of the leadership team. There is below-average annual staff turnover, and employees report high job satisfaction.

"Our success is our people," says Dorothy, "By providing a workplace that values different ideas, opinions and experience, our people thrive. We promote diversity so we can do our best work."

to organizations that they perceive to be diverse and inclusive.

Respondents also indicated that although they had not previously declined a job, they have learned from their experiences within non-diverse organizations and would place greater weight on diversity and inclusiveness in their future job searches, also expressing with certainty that they would not hesitate to decline offers the next time they participate in the interviewing process. As one Latina stated succinctly, “Having learned from past experiences, I will not make the same mistakes moving forward.”



IMPACT ON RETENTION

The diversity and inclusiveness of the nonprofit workplace also plays a role in the retention of employees, especially employees of color. Of the employees in this study who reported having left an organization due to the lack of diversity and inclusiveness experienced within the organization—64 percent of these were people of color. Twenty-seven percent of the people of color within this sample (n=112) reported having left a job due to lack of diversity and inclusiveness.

Even more concerning is the number of individuals who reported that they had not yet left their organization, but were considering leaving in the near future due to concerns about diversity and inclusiveness. Financial constraints and fear of not being able to find a comparable job were common reasons employees reported staying in their current jobs, while beginning the process of seeking other positions and transitioning out of the organization. It is thus likely that turnover may increase during strong economic periods when more positions are available after being artificially suppressed during economic downturns.



TALENT SPEAKS: THE IMPACT OF POSITIVE CHANGE

“I’ve been fortunate to work at a nonprofit that really thought about diversity. When I first joined, I was one of a few people of color on a team of 30. My decision to join a rather homogeneous organization was based on conversations I had during the interview process. I heard from a variety of staff that it was an inclusive culture where different points of view were valued. I knew I could do well in this type of environment.

“Since then, the organization has taken some specific actions. We brought in a diversity consultant to lead us through some training. Through this process, I was able to bring to light some of the subtle forms of bias I had experienced in my career, such as being asked to represent the ‘black perspective’ in a conversation. I felt like it was a safe environment to have a discussion around this experience, and my colleagues were genuinely interested in engaging on this topic.

“Around the same time, we hired the first person of color into a senior leadership role. Part of what made this hire possible was taking our time. We understood that it may take longer to attract and recruit a person of color for a leadership role at a mainly white organization.

“Nonprofits need to make it clear that diversity is important and that they are willing to take actions to create a welcoming and inclusive environment. It’s that commitment to action that built my trust in my employer.”

—African-American male, Boston, MA, 2.5 years in the nonprofit sector



Summary of Findings: The Negative Cycle of Inaction

As the data from the survey indicates, diversity is an influential component of recruitment and retention within the nonprofit sector. The significant disconnect

TALENT SPEAKS: OBSTACLES TO CAREER MOBILITY

"A past employer failed to develop employees of color once they were onboard. I found that there was a pattern of younger, less experienced Caucasian employees getting promoted over older, more experience minority employees. These younger employees were assigned high-profile projects and received mentoring by senior staff. Minority employees did not receive the same opportunities.

"For an organization with a mission to create opportunities for racially and socio-economically diverse populations, there was a real failure to reflect this value on staff, particularly at the leadership level. I ended up leaving this position after realizing there was no real chance to receive the same support as my white colleagues, namely the same opportunities for training, mentoring, and upward mobility.

"In looking around the sector, it's disappointing to see how few people of color there are in leadership positions. This communicates to people earlier in their careers that there is nothing to aspire to. Until there are more people of color in high-profile roles, as well as more ways to support and develop emerging leaders, I really don't see this situation changing."

—Latina, Washington D.C., 12 years of experience in the nonprofit sector

between the value placed on diversity and the actions taken to diversify nonprofit organizations perpetuate a cycle with several negative outcomes:

1. *Inability to attract employees of color:* In an attempt to create more diverse staffs and boards, many prospective employers seek to recruit diverse employees. As the survey highlights, the top indicator of an organization's commitment to diversity is the presence of diverse staff at all levels of the organization. If an organization is unable to show diversity on its team, prospective candidates of color may be less likely to join that organization. This is manifested by candidates withdrawing during the interview process, or even choosing not to apply at all.
2. *Increased employee dissatisfaction:* If diversity is not represented on staff, employees of color may experience a sense of tokenism or alienation in the workplace. Even within organizations that have multicultural staff, many employees of color have reported perceiving bias in the form of lack of professional development or upward mobility opportunities. Employees that perceive even subtle forms of bias—such as feelings like they are treated differently than their colleagues—are more likely to feel demoralized which can have negative repercussions on employee productivity, output, and retention.
3. *Inability to retain top talent:* As the economy begins to improve, the sector will inevitably experience shifts in employee retention, as well as more competition between organizations to attract talent. For professionals of color who place a premium on the importance of diversity and inclusiveness in their career choices, this could mean higher attrition rates amongst previously dissatisfied employees who have been "sitting tight." As employees leave, organizations experience the financial costs of attrition—up to 150 percent of an employee's salary—as well

as collateral damage to remaining employees' morale and productivity.

Without a clear and comprehensive commitment to racial diversity reflected throughout the organization that is being acted upon with results, nonprofits will have difficulty recruiting and retaining diverse employees. Maintaining a diverse staff, particularly at the management level, is the clearest indicator for employees and potential employees of color an organization's commitment to diversity and inclusion. The impending loss of the few people of color on a nonprofit's staff will only exacerbate the challenge in recruiting and retaining other diverse employees. If nonprofits don't address the frustrations of professionals of color, they may find themselves losing—as well as being unable to compete for—talented employees that contribute to organizational diversity.



Without a clear and comprehensive commitment to racial diversity reflected throughout the organization that is being acted upon with results, nonprofits will have difficulty recruiting and retaining diverse employees.

Strategies for Making Change

What does it take to build diverse and inclusive workplaces in the nonprofit sector? How can nonprofits more effectively recruit and retain people of color while building organizational cultures in which all employees feel valued and empowered? The findings of this report, as well as insights gained from interviews with nonprofit employees and leaders, indicate a few key strategies for organizations with a genuine and fundamental commitment to enhancing diversity.

1. Have open conversations that lead to clarity, consensus, and commitment.

Open conversations about race can be difficult. A thoughtful process can help get past initial discomfort and result in an exchange of ideas that allow for issues related to race, bias, diversity, and inclusion to enter the conversation. The Race Matters toolkit created by the Annie E. Casey Foundation provides a number of resources to help start these conversations.¹⁴

One strategy for promoting results-oriented communication is to form a committee that is charged with conducting organizational assessments, structuring staff conversations, organizing trainings, and ensuring that recommendations are implemented. Some organizations may also consider external expertise from professional consultants. An objective third-party can often help teams flag existing forms of racial bias and barriers, mitigate conflict, and come up with a shared language for talking about race.

Although every element and constituent group within an organization should be fully engaged in such conversations, none may be as important to include as executive leadership. There is no substitute for a vocal and passionate CEO or Executive Director within any organizational change process. A nonprofit whose employee base is passionate about diversity,

14. Race Matters toolkit is available at <http://www.aecf.org/KnowledgeCenter/PublicationsSeries/RaceMatters.aspx>

but whose leadership is passive on the subject, is likely to encounter internal tension and fail to achieve its potential for inclusiveness. On the other hand, an organization whose values flow clearly and directly from the top, and whose executive commitment to diversity matches or exceeds the expectations of its employee base, is likely to continue to improve in its diversity efforts.

2. Communicate effectively about diversity commitments.

Many nonprofits that claim to “value diversity” have not actually defined what diversity means for their organizations and why they consider it to be important for their ultimate success.

One outcome of open conversations among staff members should be an organizational diversity statement and plan. It is essential for nonprofits to be able to communicate their beliefs and practices in this area to current and future employees, as well as to constituents, volunteers, funders, and other stakeholders. In the diversity statement, the greatest clarity possible should be used to explain how the organization defines diversity, why and to what extent it values diversity, what its goals are related to diversity, and what strategies it uses to pursue those goals. Language from the diversity statement should be used externally wherever possible. Such communication platforms may include dedicated treatment on a

In the diversity statement, the greatest clarity possible should be used to explain how the organization defines diversity, why and to what extent it values diversity, what its goals are related to diversity, and what strategies it uses to pursue those goals.

website, mention in brochures and collateral materials, statements within all job postings, even notations within email signatures and voicemail greetings, when appropriate.

The essence of this strategy is to define diversity as one of the key elements within an organization’s overall brand as well as its specific position as a desirable employer within the sector. When people think about the organization, diversity should be one of the top things that comes to mind and there should never be any reason for someone to doubt the sincerity of their commitment.

Peter Drucker once famously remarked that “what gets measured, gets done.” It speaks volumes if an organization can show what it is actually doing and what the results of those efforts to date have been, regardless of how far it still has to go to achieve its goals.

3. Develop partnerships and networks that facilitate effective recruiting.

Building talent pipelines requires dedicated time, resources, and effort regardless of what population is being targeting for recruitment—be it people with certain educational or experiential backgrounds or people of certain ages, genders, races, or religions. Although it is against federal and state law in many areas to base hiring decisions on anything other than what the job requires in order to be performed, these laws generally do not prevent employers from conducting targeted recruitment efforts in order to ensure that diverse candidate pools are considered for every hire.

The most effective and targeted recruitment strategies involve partners. Consider who already represents the community that you are targeting. In order to recruit a diverse candidate pool, are there specific professional associations, educational institutions, alumni networks, religious groups, cultural societies, clubs, websites, list-serves, or publications?

Examine what relationship structures might allow for the mutual benefit for all involved, especially those

that involve an exchange of information, ideas, and valuable perspectives. This may involve efforts such as a nonprofit coming onto a college campus to offer workshops or writing regular articles for an online magazine, through which means that nonprofit is able to get the word out about its work and its employment opportunities to a given population.

In some instances resources may need to be expended to pay for advertising or attend recruiting events. Set a budget for these activities and justify the expenses in terms of the organizational benefits that having a diverse team will produce. Experiment over time with opportunities as resource constraints permit and track the effectiveness of these investments in terms of the quality and volume of candidates that they generate.

Many organizations also build and leverage advisory committees comprised of staff, volunteers, and/or community members to help them evaluate and execute various recruiting strategies. Engaging such champions will not only help inform the creation of plan, but can also lend significant credibility to the effort.

4. Ensure hiring processes that are equitable and inclusive.

It is critical for any organization that strives to create true diversity to take thoughtful steps to ensure that unintentional bias doesn't affect hiring processes. Specifically, it is important to audit hiring-related policies and practices for subtle cues that could be interpreted as biased, unfair, insensitive, or offensive.

According to our survey results, a number of candidates reported sensing subtle forms of bias during interviews. Biases enter at each step of the hiring process starting with the job description. If your organization serves a diverse or underrepresented community, it is important that the job description list experience successfully managing diverse teams or working with your target population as a requirement. This is the quickest way to reshuffle the applicants, replacing experiences that often reflect bias (e.g., graduation from Ivy League schools, unpaid summer internships) with those that

Building talent pipelines requires dedicated time, resources, and effort regardless of what population is being targeted for recruitment.

are directly related to accomplishing the job for which you are hiring.

To mitigate the potential of bias in the application review and interview processes, hiring managers should focus on a candidate's core competencies—the skills, knowledge, technical qualifications, and personality attributes required to do a job. Core competencies remove subjectivity by assessing a candidate's potential based on demonstrated past experience, as opposed to a hiring manager's interpretation of a candidate's potential.

During the interview process, organizations should ask questions that revolve around what the law regards as "bonafide occupational qualifications." When asking potentially sensitive questions that might involve issues of diversity and inclusiveness, try to be as specific as possible. Instead of asking "Do you come from a low-income background like the students we serve do?" you may want to ask "It is important for us to hire a candidate for this role who can develop a strong relationship with the students we serve. Please describe how you have done this in the past." This latter question should be asked of all candidates, not just candidates of color.

Also during the interview process, make sure that you are clear on your messaging about diversity. Our survey results indicate that issues of diversity are important to people of color as well as white candidates so be prepared to answer detailed questions about how you define diversity, how diversity is linked to your mission, and the initiatives you have in place to achieve your goals. Use some of the work that you did as suggested

in Recommendation #2 to help you develop strong messages about your commitment to diversity. Finally, it can be helpful to debrief with candidates who removed themselves from the process or turned down a job offer. This step may be best taken by a third party who can guarantee anonymity to the candidate and release trend data to your organization. Understanding where promising candidates took jobs instead of your organization will be instructive, for example does their leadership look different than yours? This data can inform adjustments to consider in your organization's hiring policies and practices.

5. Embrace, develop, advance, and retain employees.

Utilizing recruitment and hiring processes that yield a diverse staff will generate the precursors for inclusive organizations and leadership diversity, but nonprofits cannot stop there or will risk nullifying all of their efforts up until this point.

Preventing or reversing employee disengagement and turnover requires a nonprofit to practice its values and actively work to retain and promote its employees. This process can begin with efforts such as those described above in Recommendation #1 of open conversations, staff committees, professional facilitators, and employee trainings. Examining turnover rates by various characteristics and conducting regular quality of worklife surveys that include diversity-related questions (and the ability to analyze all data by various demographic characteristics) are some additional ways to monitor retention and satisfaction among employees.

Making time and resources available for mentoring or coaching can also be effective at helping employees feel valued and supported. This strategy will also help staff to develop professionally and improve their capabilities and performance. External coaches can be particularly effective at opening-up small organizations, where statistical probability might prevent a professional of color from having many colleagues or superiors who share their backgrounds and perspectives. Ultimately, when it comes to ensuring diversity and inclusiveness, organizations must demonstrate a

commitment to diversity throughout the ranks. It is essential that organizations institute practices to retain, develop, and advance all employees, with a specific focus on ensuring diverse employees have opportunities to advance to senior leadership positions. Many organizations struggle, however, with balancing concerns about the prioritization of certain promotions with being accused of discrimination. As every state has different regulations with regard to this matter, it is best to consult a human resources professional or employment practices attorney in order to institutionalize policies that are legally compliant and protect the organization while helping to achieve its diversity goals.



CONCLUSION

Nonprofit employees believe that their organizations do value diversity and inclusiveness but do not follow-through on those values with actions to achieve results, and that the proof of true dedication can be found in the actual diversity of the organization.

In order to address these challenges, nonprofits need to start by having open conversations that lead to clear definitions, goals, strategies, and actions around efforts to diversify their organizations. They must communicate effectively and leverage partnerships in order to recruit diverse candidate pools, and they need to ensure that their interviewing and hiring processes are free from both real and perceived bias. Finally, they need to work to ensure that their organizations are not only diverse but also that policies and practices are in place to advance qualified employees of color to positions of senior leadership within the organization.

These strategies will require time and resources, and as such, they must be prioritized by leadership in order to be successful. Such efforts will likely result in higher employee satisfaction, performance, and retention—all of which can lead to increased efficiency, effectiveness, sustainability, and improved organizational impact. 🌐





About the Authors



Robert Schwartz, Executive Director, Level Playing Field Institute

Robert Schwartz is the Executive Director of the Level Playing Field Institute. He spent the three years prior as Chief Academic Officer for ICEF Public Schools in South Los Angeles, leading the strategic expansion of the academic program from three schools with 500 students to 15 schools with 4,000 students. As the founding principal at ICEF's flagship high school, the first three classes achieved a 100% graduation rate with 97% accepted to four-year universities.

Robert graduated from Binghamton University with degrees in Biology and Classics, and earned his MA in Urban Education Policy and EdD in Urban Educational Leadership from USC.

James Weinberg, Founder and CEO, Commongood Careers

James Weinberg is the founder and chief executive of Commongood Careers. Under his leadership, Commongood Careers has grown over the past six years to become one of the nation's most successful and influential search firms serving nonprofit organizations. Previously, James served as the National Development Director at BELL and as the Executive Director of the Homeless Children's Education Fund. He was also a Coro Fellow in Public Affairs, has a master's degree in Management & Public Policy from Carnegie Mellon University, and holds a bachelor's degree in Psychology from Tufts University, where he graduated *summa cum laude* and Phi Beta Kappa. He serves as the board chair of Emerging Practitioners in Philanthropy and is a deeply committed member of the ServiceNation, America Forward, and Reimagining Service coalitions.

Allison Scott, Director of Research, Level Playing Field Institute

Allison Scott conducts and manages empirical research related to hidden bias and barriers in K-12, higher education, and the workplace. This research agenda is centered on expanding the understanding of hidden bias and inequity and providing practical solutions to ensure improved access and opportunity for students of color from K-12 to Higher Education to the workplace. Allison came to LPFI, having earned her PhD from UC Berkeley, with a research background focused on investigating educational inequality, perceived racial bias and discrimination, and educational outcomes for individuals with diverse backgrounds.

Dana Hagenbuch, Vice President, Commongood Careers

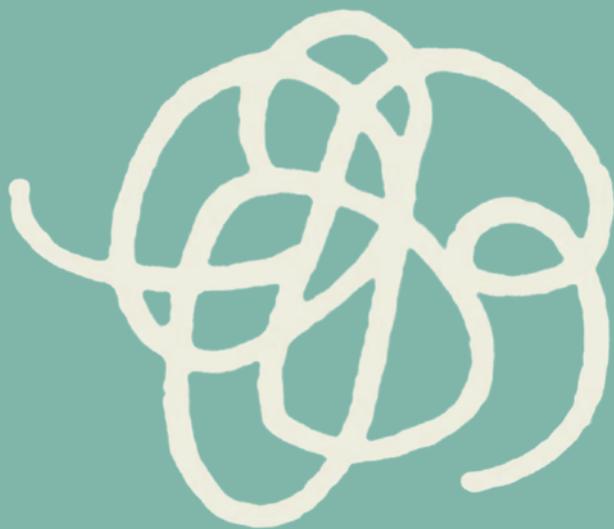
At Commongood Careers, Dana oversees communications, marketing and business development. She also leads searches for a variety of nonprofit clients, such as Share Our Strength, iMentor, Peace Dividend Trust and the Center for Effective Philanthropy. Dana began her career managing recruitment programs at management consulting firm A.T. Kearney, internet start-up Brainpower and cultural exchange program CCUSA. From there, Dana led marketing at TechSoup Global, a nonprofit organization that has distributed more than \$2.1m worth of technology products to nonprofits around the world. Dana holds a bachelor's degree in Psychology from Stanford University.

About Level Playing Field Institute

Level Playing Field Institute is a San Francisco-based nonprofit that promotes innovative approaches to fairness in education and the workplace by removing barriers to full participation. LPFI runs three programs to work towards this vision. Their Summer Math and Science Honors (SMASH) Academy provides rigorous STEM curriculum and college preparation for high potential students of color in under-resourced schools through a residential college program at UC Berkeley and Stanford. They also operate a college scholarship and mentorship program and conduct research in K-12, post-secondary, and workplace contexts to understand and mitigate hidden biases and barriers for under-represented groups.

About Commongood Careers

Commongood Careers is a mission-driven search firm that enables innovative nonprofits to recruit and hire the outstanding talent they need to achieve their full potential for social impact. Founded in 2005, Commongood Careers was created by a group of nonprofit professionals who experienced the challenges of recruiting and hiring in their own organizations and knew there must be a solution. Today, Commongood Careers works with over 150 organizations in 26 states, and has completed over 500 searches for positions at all levels of the organizational chart. A proponent for best practices in human capital recruitment and management, Commongood Careers frequently publishes reports, presents workshops, and hosts national convenings of social sector leaders.



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