NONPROFIT BOARD DIVERSITY

A Snapshot of the Capital Region

The Community Foundation for the Greater Capital Region

January 2020

The Institute of Nonprofit Leadership and Community Development
The Board Diversity Assessment is a partnership between the Institute of Nonprofit Leadership and Community Development at the University at Albany and the Community Foundation for the Greater Capital Region and was made possible through the generosity of the Charles L. Touhey Foundation.
We would like to express a sincere thank you to several individuals and organizations for their contributions to this project. This work would not have been possible without the foresight and financial support of the Charles L. Touhey Foundation and other donors through the Community Foundation for the Greater Capital Region. We extend our thank you to Mr. John Eberle, Director of The Community Foundation for the Greater Capital Region, and partner in this collaborative assessment.

Additionally, we greatly value the time, service, and assistance afforded to us by community leaders, including but not limited to: Hyacinth Mason, Anthony Gaddy, Starletta Smith, and Yalitza Negron, all of whom helped us to identify individuals in the community willing to share their experiences and perspectives on this issue.

We also extend a thank you to Matthew Hanson of the University at Albany’s I/O Psychology PhD program for his help on Qualtrics, Sandra McGinnis, Senior Research Scientist, from the Center for Human Services Research, for her assistance with data cleaning and analysis, Margaret Gullick, Senior Research Scientist, from the Center for Human Services Research, for her help with interpreting Qualtrics survey results, and Megan Grant, Americorps Vista Fellow, who assisted us with note taking during the focus group sessions.

As this assessment focuses on understanding and addressing a community issue, that of diversity, representation, and inclusion on nonprofit boards, it takes a community effort to pull together the resources and perspectives necessary for building an inclusive, holistic, and broad evaluation of the issue at hand. Therefore, we are both grateful for and motivated by the interest and passion in this issue that both community members and organizations have expressed while helping make this project possible. We hope that these same community connections will be the force behind further action and change.

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INTRODUCTION

In the fall of 2019, the Institute of Nonprofit Leadership and Community Development partnered with the Community Foundation for the Greater Capital Region to conduct an assessment of nonprofit board diversity and inclusion in the greater Capital Region. The purpose of the assessment was to capture a snapshot of the demographics of nonprofit boards with regards to a variety of diversities, better understand nonprofit leadership and community member attitudes and perceptions regarding diversity and representation on nonprofit boards; and document steps nonprofits are taking to address board diversity. Additionally, the assessment captures the challenges experienced by both nonprofits and community members in making board service diverse and inclusive, and provides suggestions for future support, programs, and practices based on common themes and participant responses.

The Community Foundation for the Greater Capital Region (CFGCR)

Guided by the needs of the region and accountable to the community, the Community Foundation for the Greater Capital Region partners with generous individuals, families, foundations, and corporations that share a commitment to strengthening our community. For more than 50 years, the Foundation has been dedicated to improving the lives of our neighbors. CFGCR provides exceptional philanthropy services, distributes grants to nonprofits to help address the region’s most pressing needs, and takes an active leadership role in community initiatives to improve the place we all live, work, and play.

The Institute of Nonprofit Leadership and Community Development

The Institute of Nonprofit Leadership and Community Development is an innovative education and research Institute aimed at serving the nonprofit community of the Greater Capital Region. Through Emerging Issues in the Nonprofit Sector conferences, Nonprofit University professional development workshops, Emerging Nonprofit Leadership Accelerator (ENLA) leadership development program, and other initiatives, the Institute acts as a resource and hub for emerging issues related to nonprofit research, leadership, operations, sustainability and impact, in which students, faculty, and community members work together to address common problems and build solutions to improve the Capital Region.
METHODS

The nonprofit board diversity assessment consisted of three components. These components included: 1) A survey of nonprofit executives and board presidents, 2) follow-up interviews with nonprofit executives and board presidents, and 3) focus groups with diverse community members both with board service experience and without board service experience. All of these components were essential to ensuring that various stakeholder perspectives were represented and captured.

1) **Survey** A 36-question survey was distributed via email to nonprofit organizations throughout the greater Capital Region using the listservs of both the Institute of Nonprofit Leadership and Community Development and the Community Foundation for the Greater Capital Region. The survey was directed toward executive directors or board presidents and focused on the board’s demographic composition (age, race, gender, sexual orientation, etc.), recruitment practices, culture, and the barriers that exist to board diversity. 65 executive directors/CEOs and 18 board presidents serving communities in 10 counties responded.

2) **In-depth Interviews** Executive directors and board presidents who responded to the survey were given the opportunity to participate in a follow-up interview to further explore attitudes about, barriers to, and recommendations regarding, nonprofit board diversity. While many more expressed interest in further sharing their perspective and experiences, time allowed for in-depth interviews with 4 executive directors and 1 board president.

3) **Focus Groups** Focus groups were conducted to include the perspectives and experiences of community members both with and without nonprofit board experience. Community members consisted of individuals with a variety of professional, educational, and demographic backgrounds. The purpose of the focus groups was to give voice to their interactions with nonprofits boards and gauge their perceptions of how nonprofits fare in recruiting, preparing, and welcoming individuals of various diversities. We understood that personal connection was the most valuable resource in accessing community members with diverse voices and, therefore, relied on business and nonprofit leaders to help us identify interested community members. From October to November 2019, we conducted three focus groups at the Rockefeller College of Public Affairs and Policy and one at a local organization totaling 20 participants, 11 of whom had board experience and 9 of whom did not.
The purpose of the Nonprofit Board Diversity Survey was to capture a snapshot of the demographics of local nonprofit boards, as well as better understand the attitudes, policies, and practices of boards regarding board diversity and inclusion. The survey was broken up into five sections:

1) Board member demographics
2) Organizational demographics
3) Attitudes and practices around board diversity
4) Board recruitment practices
5) Board culture and climate

Respondents were typically executive directors/CEO’s of nonprofit boards (64%) with a smaller number identifying as board presidents (18%) and board officers (10%). While responding organizations operate in 10 counties, the majority of the responding organizations serve Albany (73%), Rensselaer (46%), Schenectady (44%), and Saratoga (40%) counties. To supplement the survey results, in-depth follow-up interviews were conducted with five diverse organizations offering services in mental health, professional development and leadership for cultural institutions, engineering, drug and alcohol rehabilitation, and college mentorship. One hundred ten (110) respondents provided data. Board sizes ranged in size from 3 to 39 board members with an average of 12.8 members (median = 12).
Section 1: Board Member Demographics

Section 1 of the survey asked respondents to report on how board members in their organization, to the best of their knowledge, openly identify regarding a diversity of identities. Data on race/ethnicity, gender, sexual orientation, age, education, and financial support was obtained on a total of 1,426 current board members. (*Please note, the total of current board members fluctuates from table to table below as respondents sometimes left questions blank.)

Race and Ethnicity Of the 1,267 board members for whom race/ethnicity was reported, 1,069 (84.4%) were White/European American, 130 (10.3%) were Black/African-American, and 33 (2.6%) were Latinx/Hispanic. (See Table 1).

The percent of Black/African-American board members ranged from 0% to 100% among the 107 boards that provided race/ethnicity data. The average among those 107 boards was 11.5% Black/African-American membership. 46 of the 107 boards (43%) contained no Black/African-American members. The majority of boards, 65.4%, had fewer than 10% Black/African-American membership. At the other end of the continuum, there were 14 boards (10.9% of those reporting) who had membership that was 25% or more Black/African-American.

The percent of Latinx/Hispanic board members ranged from none to 100% among the 107 boards that provided race/ethnicity data. The average among those 107 boards was 3.4% Latinx/Hispanic membership. 86 of the 107 boards (80.4%) who reported race/ethnicity data contained no Latinx/Hispanic members.

Gender Of the 1,284 board members for whom gender was reported, 589 (45.8%) were men, 690 (53.7%) were women, 5 (0.4%) identified as non binary, and 0 (0%) identified as trans men and trans women. (See Table 2). The percent of male board members ranged from none to 100% among the 105 boards that provided gender data. The average among these 105 boards was 45.2% male membership. 6 of the 105 boards (5.7%) contained no male members. 88 boards (85.3% of those reporting) had membership that was 25% or more male.
The percent of female board members ranged from 0% to 100% among the 105 boards that provided gender data. The average among these 105 boards was 50% female membership. 3 of the 105 boards (2.9%) contained no female members. There were 95 boards (91.8% of those reporting) who had membership that was 25% or more female.

**Sexual Orientation** Of the 851 board members for whom sexual orientation was reported, 7 (0.8%) were reported to be bisexual, 801 (94.1%) were reported to be heterosexual, 42 (4.9%) were reported to be gay or lesbian, and 1 (0.1%) was listed as another orientation. (See Table 3).

The percent of gay and lesbian board members ranged from 0% to 67% among the 77 boards that provided sexual orientation data. The average among these 77 boards was 5.6% gay or lesbian membership. To note, fifty of the 77 boards (64.9%) who reported sexual orientation data reported having no gay or lesbian members on their board. The majority of boards, 81.8%, had fewer than 10% gay/lesbian membership. At the other end of the continuum, there were 4 boards (5% of those reporting) who had 25% or more gay or lesbian members.

**Age** Of the 1,276 board members for whom age was reported, 3 (0.2%) were under the age of 18, 15 (1.2%) were between 18-24, and 328 (25.7%) were between 55-64. (See Table 4).

The percent of members who were under 18 ranged from 0% to 14% among the 105 boards that provided age data. The average among these 105 boards was 0.13% under 18 years membership. 104 of the 105 boards (99%) that reported age data contained no members under 18 years. The percentage of members who were between 18-24 ranged from 0% to 33% among the 105 boards that provided age data. The average among those 105 boards was 1.2% between 18-24 years of age. 96 of the 105 boards (91.4%) who reported age data contained no members between 18-24 years.
**Education** Of the 1,177 board members for whom education attainment was reported, 3 (0.3%) had not attained a high school diploma, while 474 (40.2%) held a bachelor’s degree, and 456 (38.7%) held a master’s degree. (See Table 5).

The percentage of boards reporting maximum educational attainment levels of high school diploma or below was low. Among the 101 boards that provided data on education, the average percentage on the reporting boards of members with a maximum high school degree was 4.1%, and (82.2%) who reported education data contained no members with a maximum of high school diploma. The majority of boards, 89.1%, had fewer than 10% of members with a high school diploma. At the other end of the continuum, there were 4 boards (4% of those reporting) who had membership that was 25% or more holding the maximum high school diploma.

**Financial Support** In order to get at what is, commonly, the very difficult variable of economic diversity, we asked respondents to simply indicate the level of financial support provided by board members to the organization. Of the 1,223 board members for whom financial support was reported, 111 (9.1%) were reported to provide high support, 258 (21.1%) were reported to provide low support, and 468 (38.2%) were reported to provide average support. (See Table 6).

The percent of board members who provided a low level of support ranged from 0% to 100% among the 101 boards that reported this data. The average among these 101 boards was 23.9% low support membership. More specifically, 37.9% of those reporting had membership that was 25% or more low support. 38.6% of boards had fewer than 10% low support membership.
Section 2: Organizational Demographics

Section 2 of the survey gathered basic data about the nonprofit organizations that responded. Future cross analysis of these variables with the other data gathered would be interesting, and we hope to identify students or faculty at the University at Albany interested in investing that time.

**Nonprofit Sectors Represented** Respondents were provided with a drop down list of nonprofit sectors such as human services, education, health, arts and culture. There was also an “Another” option. Respondents were allowed to choose more than one sector (i.e., international and human rights). The nonprofit sectors that best represent the participants’ nonprofit organizations were human resources (36%), education (31%), and community development (26%). (See Figure 1).

![Figure 1: Nonprofit Sectors Represented by Respondents](image-url)
Annual Operational Budget  Almost two-thirds (63%) of respondents reported their organization’s annual budget to be between $25,000 and $6 million. 13% reported that their budget is less than $25,000; 4% reported that their budget is greater than $6 million. 17% reported that their budget is an amount not available on the survey. This was likely because the $250,000 - $1 million option was mistakenly left off the survey when it was first released. It seems likely that many who selected the “Another” option have an annual budget in that $250,000- $1 million range. (See Figure 2).

Figure 2:
Section 3: Attitudes and Practices Around Board Diversity

Section 3 of the survey sought to better understand respondents' attitudes and organizational practices and procedures vis-a-vis board diversity and inclusion. Additional information and insights were gathered during in-depth follow-up interviews with select nonprofit leaders. Below are a summary of our findings:

How do nonprofits perceive diversity? What does diversity mean to them? Board leaders defined diversity as being both demographic (age, gender, race, income, etc.) and experiential (different professional backgrounds, degrees, skills, expertise).

What kind of diversity are boards seeking? In general, respondents indicated that they would like board members who are diverse both demographically and experience-wise. There was variation, however. While some respondents stressed the importance of demographic diversity, others adamantly stated that they were not willing to recruit an individual for the sole purpose of building a more demographically diverse board and felt strongly that individuals must bring relevant experience, as well.

How important is diversity to nonprofit boards? 79% of nonprofit respondents agreed that nonprofit board diversity is either very or extremely important.

Are nonprofit boards satisfied with the diversity of their board? 64% of 100 respondents indicated that they are unsatisfied or very unsatisfied with the diversity of their board. 17% indicated they are satisfied. Only 1 respondent indicated they are very satisfied. Interview participants reported there is room for improvement, especially with regards to proportionality (e.g., male/female, older/younger). They also noted the need to establish a diversity task-force and/or ensure established diversity task forces regularly attend to this issue.
Do nonprofits believe their board reflects the clients and community they serve?

Respondents generally felt that their boards need to do a better job of reflecting the clients or communities they serve. When asked if they believe their board reflects the diversity of their clients, consumers, or customers, 58% of the respondents indicated they believe their board does not represent the diversity of their clients, consumers, or customers and only 33% of respondents indicated that they believe their board does. (See Figure 3).

Yet when asked how important they felt it was that their board reflect that diversity, 74% indicated it is extremely or very important to them. 23% indicated it is moderately important and 3% felt it is only slightly important. No one felt it is not important at all. (See Figure 4).

When asked if they believe their board reflects the diversity of the broader community in which their organization operates, nearly 60% of respondents indicated their boards do not represent the diversity of the broader community in which their organization operates, while 33% of respondents believe their boards do. (See Figure 5).

Similar to the earlier question, nearly 73% believe that it is extremely or very important that their board reflects the diversity of the broader community in which their organization operates. (See Figure 6).

"It is really important for clients to see staff members and counselors that are their own ethnicity or come from a similar background."
- Interview Respondent
Do nonprofits have written statements regarding diversity practices and if so, where are they kept? Over half of the boards (52%) indicated they do not have a written statement or policy regarding board diversity and inclusion. Respondents were given the opportunity to select from a number of reasons for a lack of formal written policy but, by far, the most commonly cited reason was simply that “the board has never considered the need for a written statement or policy.” Of those who did not currently have written diversity statements or policies, most (58%) reported that their board had not considered the need for such a statement.

Written diversity statements or policies most commonly appear in board by-laws, board strategic goals, on-boarding materials, and recruitment or marketing materials. For respondents who chose the “other” option on the survey, a few reported their written statements are found in some form of a board policy manual.
Section 4: Board Recruitment Practices

How do nonprofit boards recruit diverse members? What are their practices? Over half the boards (56%) indicate they intentionally recruit members of underrepresented populations. Some nonprofits conduct workshops to welcome new people (gay and transgender). The most common method to intentionally recruit members with diverse backgrounds reported, was identifying gaps in the diversity of the current board (73.13%), and encouraging current board members to build connections with diverse communities and affinity groups (55%). Boards are relatively equally split (48% yes, 43% no) on whether they use other mechanisms to engage diverse perspectives to inform their board’s work. For those who stated they use other mechanisms, advisory councils came up frequently.

What recruitment challenges do nonprofits experience? Some respondents expressed challenges with attracting people due to the volunteer nature of being a board member and finding or accessing candidates who are diverse and qualified.

Section 5: Board Culture and Climate

Do boards provide training and how does that look? Very few boards (4.48%) indicated they offer trainings to qualify under-represented populations, despite the need for such training frequently cited by community members both with and without board experience. Similarly, the vast majority of boards do not provide diversity and inclusion training to their board members (85%). The few boards that do provide training generally do so annually (N=3).

How welcoming are nonprofits? Generally, boards intentionally work on creating a more welcoming environment for diverse board members (58%). Some boards offer language interpretation services and less stringent donation thresholds. Some boards have also revised their by-laws to make it more inclusive, adjusted timings of meetings to accommodate board members, and begun to use technology to add flexibility to board meeting attendance requirements.
FOCUS GROUPS WITH COMMUNITY MEMBERS

During focus groups with community members, both participants with board experience (PWE) and participants without board experience (PWOE) responded to questions regarding their perceptions of nonprofit board diversity, their experiences serving as a diverse voice, and any barriers or challenges they encountered that prevented them from serving on a board. Questions pertained to participants’ recruitment experiences, their level of preparation, and what they perceived of the board’s culture.

Are Nonprofit Boards Diverse? In response to this question, PWE and PWOE overwhelmingly stated that boards are lacking diversity. Similarly, they do not believe boards reflect the diversity of the community in which they operate, nor the clients that they serve.

What are the recruitment experiences of individuals with diverse voices?

Demographic diversity versus experiential diversity/professional experience PWE often expressed feeling recruited for their demographic diversity as opposed to their range of skills and expertise, particularly when asked to replace a woman or person of color who had left. While participants with board experience acknowledged the importance of bringing a diverse perspective, they considered their skills and expertise to be the most significant contribution they could offer to the board. Comparatively, when asked what they could contribute to a nonprofit board, PWOE rarely mentioned their perspectives as diverse voices, instead highlighting their passion and professional skills.

Focus Group Demographics

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<th>Demographic Category</th>
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<tr>
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<tr>
<td>Transgender</td>
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<td>Woman</td>
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<td>Bi-gender sexual/queer</td>
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</tr>
<tr>
<td>Have a disability</td>
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<td>Man</td>
<td>3</td>
</tr>
<tr>
<td>Heterosexual</td>
<td>13</td>
</tr>
</tbody>
</table>

Majority (13) Have a bachelor's degree or higher

*Totals to 18 participants; 2 participants did not complete demographic data.

"It's a loss of an opportunity when boards only recruit for diversity's sake and never consider that a person of color has professional expertise to offer."

- Focus Group Respondent
Tokenism versus representation In conversations with PWE, participants shared being treated like a “token” or feeling as though they were only recruited as “figureheads” and not members who contribute to decision-making. We found that participants who expressed feeling tokenized also reported having their personal and professional identities siloed. Some participants who identify as people of color, stated that despite having relevant expertise and skill sets (e.g., MBA, financial knowledge, nonprofit experience) to contribute to the board’s functions and decision-making, they did not always feel encouraged nor invited to make contributions that extended beyond their presence as a person of color on the board. Participants responded that in their experience, nonprofits either did not expect them to have skills to contribute or saw their status as a “token” far more important than their ability to give meaningful advisement. This challenge was captured in one of many statements by participants:

“You can either be the black guy or the finance guy but not both.”

While nonprofit executives reported that a challenge to board diversity is finding qualified and skilled individuals, these statements present a contrasting challenge felt by diverse community members of having their professional skills and qualifications recognized.

What are the Most Common Barriers to Board Service? Participants with and without board experience expressed a range of challenges they either encountered while serving on boards or which have caused them to take pause when considering serving. These challenges span recruitment, preparation, and culture.

Recruitment

- Lack of transparency: PWE and PWOE shared that boards were often vague and unclear about their expectations for members, particularly surrounding financial obligations. Participants agreed that an emphasis on financial contribution could rob individuals with much to offer from being able to serve, or leave them feeling incapable of adding to the board. Additionally, both groups acknowledged that in many cases, one’s financial contribution either seemed to be the most important contribution that a member could make or that being able to give a significant contribution gave some members more power.

- Lack of accommodation and accessibility: Unclear expectations and strict commitments made serving difficult for participants. In some cases, participants were unable to serve or had to resign because of issues like being unable to afford the membership dues and being required to attend board member retreats and meetings that took place during the work day or conflicted with parenting responsibilities.
Preparation

- **Lack of training:** Most PWE expressed feeling underprepared when serving on boards because they did not receive complete information when they were recruited or because they were unfamiliar with board jargon and responsibilities, particularly related to finance. Participants who felt unprepared, despite relevant professional experience and skills, stated feeling less confident and less likely to engage in the board functions, sometimes to the point of resigning. One participant recalled feeling “in over their head” and “in the wrong place.” Most participants shared that they had not received sufficient orientation or training when joining. In all four focus groups, participants stated that they could (still) benefit, or could have benefitted, from a “board 101” training.

Culture

- **Lack of representation:** PWE shared experiences of about being asked their opinions when decisions were already made, not being privy to certain meetings, or having their relevant skills were overlooked.

- **Lack of inclusive language and environment:** PWE shared that other board members used language that was not inclusive or welcoming. One participant shared that discussions between members of the predominantly affluent board about the size of their homes and boats discouraged her, a lower income individual, from feeling comfortable connecting with board. In another case, a participant stated that male board members often “mansplained” to her. At the same time, participants of color explained the need to “code switch,” or change their dress and speech in order to “pass” or gain credibility with other board members. Participants shared that they had to navigate uncomfortable comments from other board members such as “you speak English so well,” which to them, highlighted others’ assumptions that they lacked the professionalism or skills needed to effectively serve.

“I would not want to work for an organization where I did not feel welcome.”
- Focus Group Participant
RECOMMENDATIONS

Findings from this report highlight three main recommendations for how nonprofits can be better supported to improve board diversity:

1) **Qualify** diverse individuals who have the interest, passion, and capacity to serve on boards by offering public trainings to the community and assisting nonprofits with developing appropriate onboarding trainings.

2) **Match and connect** diverse individuals with expertise with nonprofit boards to create a candidate pipeline between communities and nonprofits.

3) **Create welcoming space on boards** for diverse individuals by providing nonprofits with practical tips and strategies on how they can make their board culture more inclusive, welcoming, and respectful of all identities and expertise.
LIMITATIONS

This report provides a basic analysis of diversity on boards.

- More thorough analysis of the data is required to better understand the nuances of the situation.
- A more sophisticated statistical analysis would allow us to determine the validity and confidence rating of the data we have collected. In particular, a cross variable analysis might shed additional light on if differences exist across nonprofit sectors or geographic locations. While we captured organizational catchment areas by county, a zip code specific analysis might have been useful.
- Additional focus groups and interviews would help us obtain valuable additional viewpoints and help us to better understand the depth of the issue.

CONCLUSION

Generally, the findings of this report suggest that both nonprofit leaders and community members consider board diversity to be critical, yet significant challenges recruiting and retaining diverse board members remain. There is a great need for further research and intervention. In particular, respondents called for the development of tools and programs that: 1) prepare diverse communities for board service, 2) build networks to enhance recruitment and service efforts, and 3) actively engage nonprofit boards in the concrete steps that lead to culture change. We hope these findings help advance the conversation on this issue and guide nonprofits and supporting organizations toward creating truly inclusive, representative, and effective boards throughout the Capital Region community.