

The background of the entire page is a stylized, abstract illustration. It features a large, light green gear-like shape with a jagged outer edge. Inside the gear, there are concentric, wavy lines that resemble a sun or a spiral. The colors are various shades of green, from light to dark. The overall effect is organic and modern.

# LEADING BY EXAMPLE

## ■ Diversity, Inclusion, and Equity in Community Foundations

A project of the Coalition of Community Foundations for Youth and California Tomorrow

### PARTICIPATING FOUNDATIONS:

- The Community Foundation for Greater New Haven
- East Bay Community Foundation
- Greater Milwaukee Foundation
- The Winston-Salem Foundation





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East Bay Community Foundation  
Greater Milwaukee Foundation  
The Winston-Salem Foundation**



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Drawn from the culture of the Aztec people, the symbol used here represents the multidimensional and cyclical nature of change—depicting the powerful force of movement integrated in harmonic balance. This understanding of change is acknowledged and represented in the imagery of many cultures.

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## INTRODUCTION

Community foundations by definition exist for the good of the residents and neighborhoods they serve. Currently, more than six hundred community foundations operate in the United States, supporting areas that range from major metropolitan regions to rural counties. By connecting resources with needs in their areas, community foundations have, for generations, offered leadership and stewardship for their communities' long-term well-being. But fulfilling their missions in today's world is becoming increasingly more difficult. The communities the foundations serve are experiencing dramatic changes—some the result of recent demographic shifts, others stemming from enduring systemic inequities in the economic, political, and social arenas. As community foundation leaders consider viable strategies for responding to these challenging contexts, many recognize that their effectiveness as catalysts for change in diverse contexts requires attention and commitment to values of inclusion and equity.

### New Ethnic and Racial Compositions

No longer the province of major urban centers, diversity is now a reality in every area of the United States. Three states, the District of Columbia, and nearly half the country's one hundred largest cities no longer have majority White populations. Over the past thirty years, the percentage of the U.S. population comprised of racial and ethnic minority groups has nearly doubled, from 16% to 31%, and the percentage that is foreign born has more than doubled, growing from 4.7% to 11%. The biggest increases in immigration are occurring in the south and the midwest. According to U.S. Census Bureau projections, by 2050 there will be virtually no ethnic majority in the country as a whole.

Thinking only in terms of numbers, this diversity presents our society with myriad opportunities and challenges. But the potential benefits of America's increasing cultural richness exist alongside the enduring scars left by our nation's history of slavery and by the country's many other unaddressed inequalities between Whites and communities of color. These benefits also stand in contrast to emerging tensions between longtime residents and new immigrants, who have come to the U.S. in unprecedented numbers during the past two decades.

When considered in this light, and when

placed alongside the fundamental economic and political transformation taking place within the country and globally, the task of understanding and responding to demographic change in the U.S. becomes especially complex and urgent. Complex, because including and engaging the leadership of communities heretofore known as “minorities” means employing a variety of interconnected strategies to assist these communities in overcoming a range of historical and contemporary barriers to their full access and participation. Urgent, because it is communities of color—with their younger median age amidst a white community that has reached retirement in considerably larger numbers—that will bear the “burden of support<sup>1</sup>” for our major institutions in the 21st century. This is the case for both public sector institutions, which will be dependent on their tax contributions and leadership, and private sector companies which will rely on these communities' labor, talent, and consumer dollars for sustainability and growth.

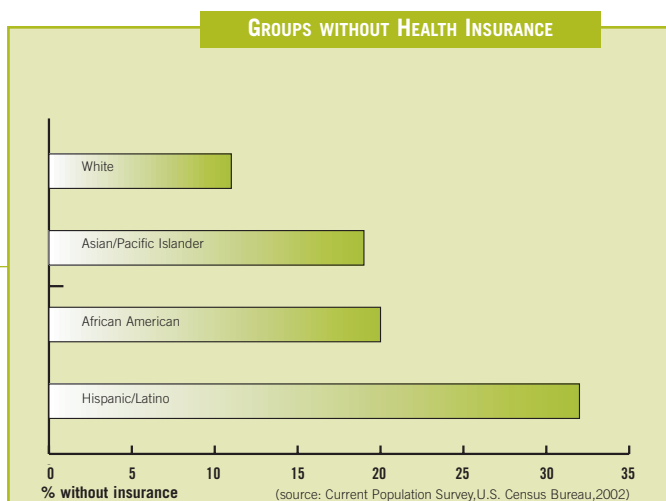
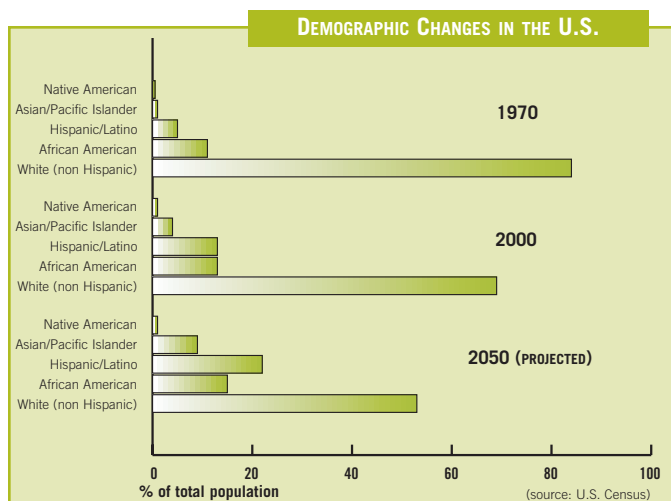
### Enduring Inequality

Despite a civil rights movement that established legal protections against discrimination and advanced the vision of a society of equal opportunity and access, widespread disparities between groups persist and indeed are

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leading by example  
Introduction

1 The term “burden of support” was first used in this manner by researchers David E. Hayes-Bautista, Werner O. Shink, and Jorge Chapa. For deeper discussion of this convergence of demographic trends and the needs of a diverse society, please refer to their groundbreaking research in the book, *The Burden of Support: Young Latinos in an Aging Society*, Stanford University Press, 1988.



growing in the United States. Over the past ten years, the gap between the nation's wealthiest and poorest groups has increased significantly. Currently, more than 30% of the country's income is held by the richest 10% of the population while less than 2% is held by the poorest 10%. Twelve percent of all individuals and 18% of our country's children live at or below the poverty level. This includes 31% of Native Americans, 22% of African Americans, 21% of Latinos, 11% of Asians/Pacific Islanders, and 7.5% of Whites. Disproportionately, it is families of color who are most impoverished in our communities. Disproportionately, children from low-income neighborhoods attend schools with undertrained teachers and inadequate facilities. Recent years have seen gaps in academic outcomes grow substantially between poor and rich and between children of color and White children. Families of color are two to three times as likely to lack health insurance as their White counterparts. And African Americans and Latinos have suffered consistently and significantly higher unemployment rates than Whites for decades.

### The Opportunity for Community Foundations

Diversity can provide enormous resources for invigorating communities—but only if everyone is included in a community's social, political, and economic life. While there is a need for all institutions to learn to draw strength from diversity, improve relations across cultural, linguistic, and racial boundaries; and address inequities, few are as well positioned as community foundations to

influence behavior outside their own institutional settings. A number of foundations are asking what types of changes are necessary for them to act upon issues of inclusion and equity:

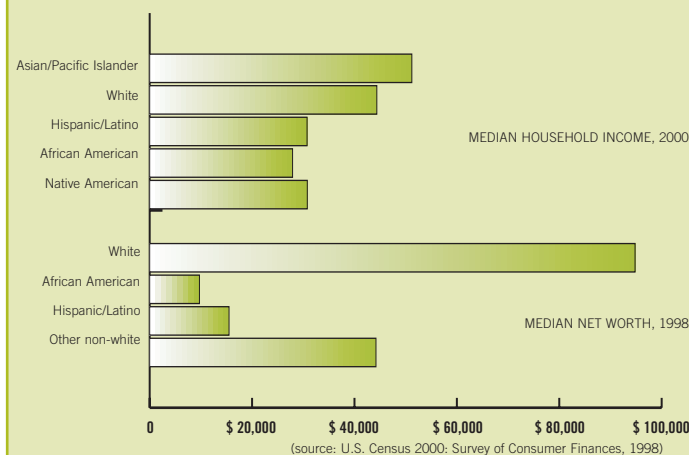
- What are the high priority needs in the diverse communities they now serve?
- What kinds of people and skills do they need on staff and on their boards in order to effectively reflect their communities and serve their diverse constituencies?
- How can they best use their influence and resources to challenge structural inequities?

This publication tells the story of forward-thinking community foundation leaders who came together from different parts of the country to engage in dialogue, learning, and action to strengthen their foundations' capacity to respond to these urgent societal concerns – not simply in terms of moral imperative but also because they are matters of economic, political, and social survival and success.

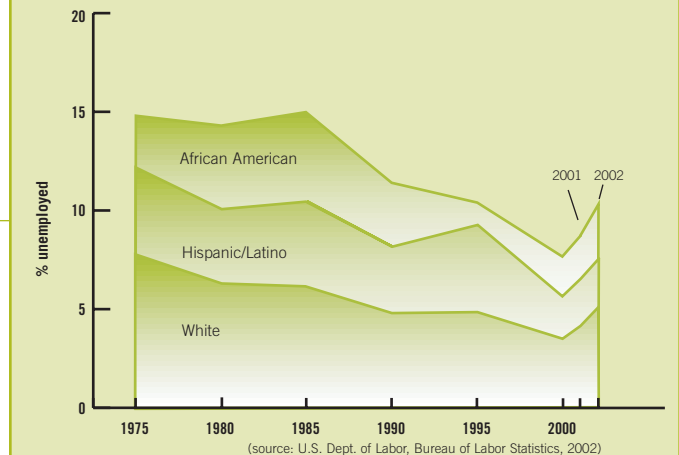
### Leading By Example: Internal Change for Addressing Equity and Diversity

The Leading by Example (LBE) initiative began in January 2002 to help solidify, sustain and expand community foundation efforts on equity and diversity through a process of internal development and strategic change. It was sponsored by the Coalition of Community Foundations for Youth (CCFY) and facilitated by California Tomorrow.

**MEDIAN INCOME & NET WORTH BY ETHNICITY**



**U.S. UNEMPLOYMENT RATES BY RACE/ETHNICITY**



Funding was provided by the Charles Stewart Mott Foundation.

Together, CCFY and California Tomorrow worked with four community foundations selected from different regions of the country:

- Northeast—The Community Foundation for Greater New Haven (New Haven, Connecticut)
- South—The Winston-Salem Foundation (Winston-Salem, North Carolina)
- Midwest—The Greater Milwaukee Foundation (Milwaukee, Wisconsin)
- West Coast—The East Bay Community Foundation (Oakland, California)

The choice for regional diversity was deliberate. While it was assumed that specific actions and strategies would be different for each community foundation based on the local environments in which they worked, the belief was that all would benefit from sharing ideas, dilemmas, and successes across contexts, and from offering each other support in a dynamic, peer-learning network.

Over two years, using an established change framework and methodology, each of the four foundations pursued unique journeys within the circle of this collaborative network. Starting with the conviction that “leading by example” on diversity and inclusiveness is essential to the long-term vitality and efficacy of their institutions, each foundation assessed its organizational culture, composition, policies, and practices. In dialogue with the others, each also developed and began implementing new departmental and foundation-

wide strategies. As the individual and collective experiences of participating teams demonstrated, deepening work on diversity, inclusion, and equity touches every aspect of foundation life. This work requires strong leadership and dedicated resources, but the investment yields significant changes in practice and policy, and infuses foundations with new structures, habits, and skills that enhance their ability to respond to community needs and to challenge the systemic inequities that divide the regions they serve.

## This Report

The body of this report is organized into three major sections. The first section describes the Leading by Example initiative and change model. The second section presents themes and challenges, discussing what it takes to organize a strategic alignment process on diversity, inclusion, and equity issues. It also looks at specific departmental activities, focusing on opportunities and challenges as foundations aim to improve day-to-day work in donor development, grantmaking and community leadership, and business practices. The final section reviews key LBE lessons and offers hope for other foundations wishing to take on the challenge of leading by example. Woven throughout all of these sections are stories of change from the four LBE foundations and individual perspectives from CEOs, trustees, and staff about the work they did as part of the LBE process. The report is accompanied by a CD-ROM Tool Kit that includes readings and change tools used by the network throughout the LBE process.

## THE LEADING BY EXAMPLE INITIATIVE

**T**he Leading by Example (LBE) initiative began in January 2002. The twenty-month initiative brought together four foundations and helped them develop strategies for strengthening diversity, inclusion, and equity both within their foundations and within the greater foundation community.

### The LBE Change Model

The LBE process was based on a change model that California Tomorrow developed through its work with other sectors (e.g., K-12 public schools, community organizations, early childhood programs) and adapted in partnership with the Coalition of Community Foundations for Youth (CCFY) to address the

specific needs of the community foundation field.

The change approach includes ten interrelated components that together support organizations in instituting practices and policies that better address diversity, inclusion, and equity. Whether the foundations' efforts focused initially on organization-wide change or were more specifically tailored to a subset of foundation practices (e.g., donor development, community engagement, or grantmaking), LBE leaders were encouraged to draw on all elements of this model in iterative Cycles of Inquiry. These were dialogue-based and included assessment, reflection, planning, and implementation.

- 1 **LEADERSHIP**—Organizational change on issues of diversity, inclusion, and equity depends on the emergence and development of strong leadership, clear institutional commitment, and a well facilitated change process. The commitment of top-level leaders—CEOs and trustees—is particularly important for ensuring success.
- 2 **DIALOGUE**—Dialogue among people of diverse backgrounds and experiences is needed to construct the fullest possible understanding of diversity, inclusion, and equity dynamics in an organization and community. In this way, dialogue is used to inform assessment and planning.
- 3 **VISION, VALUES, AND PRINCIPLES**—Clarifying and articulating values, vision, and principles are essential to an organizational change process and require developing a shared language and understanding about the meaning of key concepts.
- 4 **ATTENTION TO CONTEXT**—Realigning community institutions to meet the needs of a diverse society is a context specific process. There is no single model of an inclusive organization, and no single path for incorporating diversity and equity goals.
- 5 **LOOKING AT DATA**—Organizations make better choices when they base their decisions on data and on analyses of their external and internal contexts, the history of diversity and equity inside the organization, and the way their work relates to patterns of inclusion and exclusion in the communities they serve.
- 6 **ASSESSMENT AND PLANNING**—Aligning foundation work with diversity and equity values takes more than expanded awareness and a clear vision. It also requires assessing organizational practices in detail and developing concrete plans for change.
- 7 **TAKING ACTION**—Once plans have been made, organizations must put them into practice. Successful implementation depends on the availability of sufficient human and financial resources.

- 8 **PERSONAL AND ORGANIZATIONAL LEARNING**—Organizational change requires individual change as well. The reflection and learning at the heart of such change are supported by the development of learning communities with safe and open spaces for dialogue on difficult issues related to race, class, and other dimensions of diversity.
- 9 **PEER SUPPORT**—Individuals and organizations engaged in changing their practices benefit from ongoing support, an opportunity to share experiences, and the feedback and critique of their peers.
- 10 **TECHNICAL ASSISTANCE**—Technical support and assistance—such as training, coaching, or support for organizational development—help build an organization’s capacity to sustain change.

According to the change model, success indicators for a first round of strategic alignment, such as took place in the LBE initiative, include:

- The foundation’s staff and trustees are more comfortable and skilled at discussing issues of diversity, inclusion, and equity.
- Their diversity, inclusion, and equity discussions move from the periphery of foundation life to the center of the foundation’s strategic development.
- Leadership responsibility and accountability for the change strategies are increasingly embedded in the foundation’s everyday work and functions.
- There are clear, achievable, and measurable outcomes for internal and external change.
- There are adequate resources and support to continue the alignment and deepening of diversity, inclusion, and equity work.
- A commitment is made to ongoing cycles of reflection, assessment, and change.

### **Establishing a Network of LBE Teams**

Each community foundation in the Leading by Example initiative established an LBE team that included its chief executive officer (CEO), a board member, and a staff person designated as the “lead staff” for

purposes of planning and coordinating the process within the foundation. These teams met five times over the course of the initiative. At each meeting, team members heard from experts in the field, gained knowledge and support from each other, worked on team issues and challenges, engaged in assessment and planning activities, and were introduced to tools they could adapt to their own foundation’s change processes. They also worked collectively to:

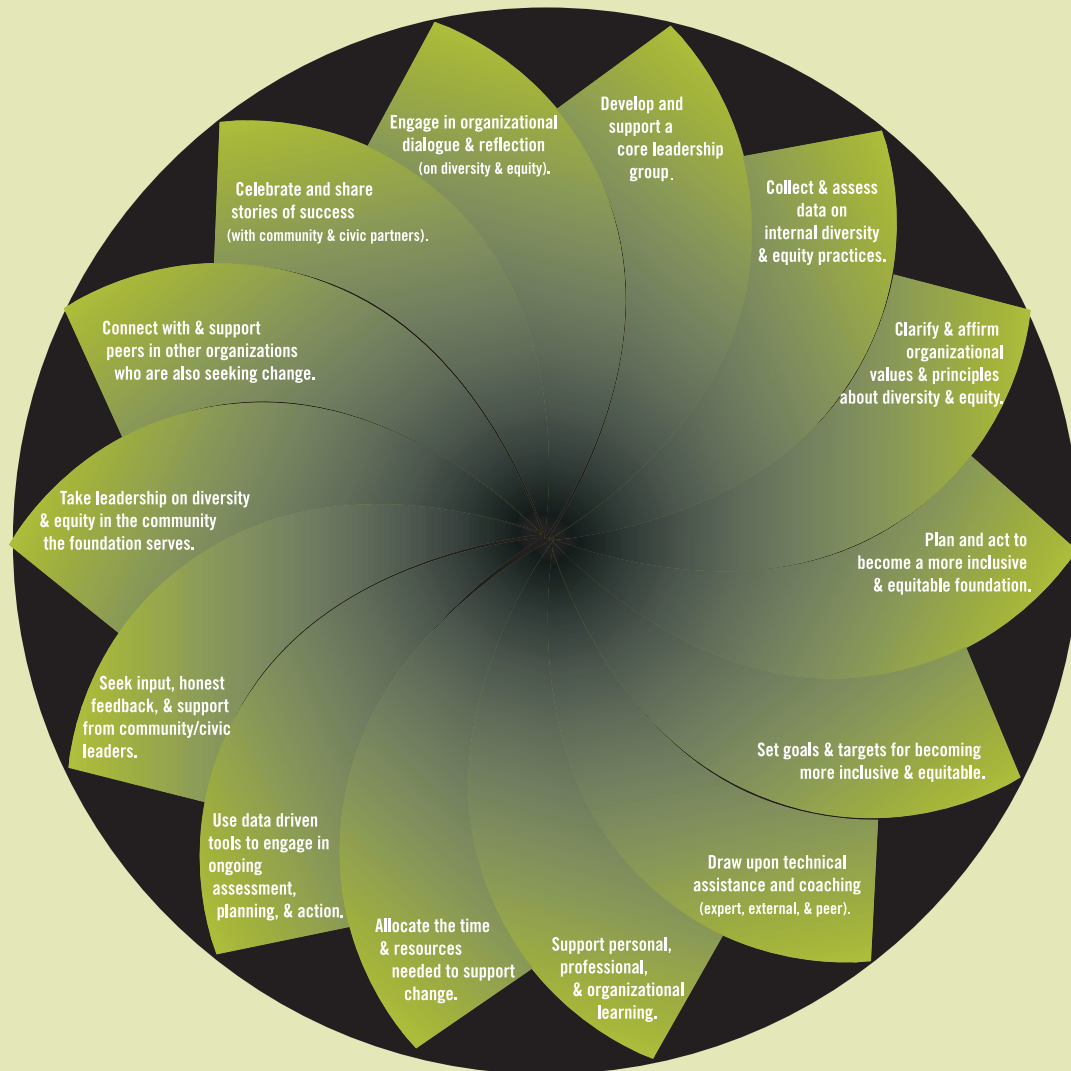
- clarify and choose diversity paradigms;
- explore issues and common challenges;
- assess core work areas;
- develop benchmarks;
- share strategies and short- and long-term plans; and
- offer feedback and critique on each other’s work.

While all LBE teams shared a commitment to inclusion and equity, each used the LBE framework and tools in a different way. Between meetings, with the support and coaching of CCFY and California Tomorrow, the foundation teams worked within their organizations to collect data, assess existing practices, and begin planning and implementing new practices, policies, and approaches. Local consultants provided additional coaching, training, and facilitation to some foundations.





## LBE Change Strategies



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leading by example  
The Initiative





## DEFINING DIVERSITY, INCLUSION, AND EQUITY

**CALIFORNIA TOMORROW** developed working definitions and guiding questions about key LBE terms and introduced them as starting points for discussion within the LBE process. These definitions and questions also serve as the conceptual basis for this publication. Engaging with these definitions and questions was part of the LBE process. Mindful of the natural tension and confusion inherent in defining and working with diversity-related concepts in collective endeavors, California Tomorrow encouraged the community foundations to clarify and build consensus around their own understandings as part of their LBE work.

**DIVERSITY**—Diversity refers to a wide range of differences among people in our society. These dimensions include race, culture, language, class, age, gender, sexual orientation, and physical ability/disability.

### QUESTIONS POSED:

- *What does increased diversity mean for an organization relative to its core mission, values, or strategic objectives?*
- *Is diversity viewed as an asset—to individual staff members personally, to the organization, to the community, and to the institutions charged with serving it? Or is diversity seen primarily as a problem or challenge? Or both?*
- *How can organizations build capacity to respond effectively to increased diversity?*

**INCLUSION**—Inclusion is the state of being fully accessible, reflective, and representative of the diversity in a community and in society.

### QUESTIONS POSED:

- *What does it take to create a welcoming organizational environment where people of all ethnic, racial, class, gender, or sexual backgrounds are respected, valued, and engaged?*
- *How can organizations go beyond simply seeking a diverse mix of staff, trustees, or community partners to actively incorporating the multiple voices and perspectives this diversity offers?*

**EQUITY**—Equity means each person or group has equal access to economic, social, and educational opportunity. For members of groups that have been excluded from resources, equity may involve providing greater resources to compensate for past exclusion and discrimination.

### QUESTIONS POSED:

- *Is an organization interested in and committed to becoming more equitable (or “just and fair,” from Merriam-Webster Dictionary’s definition) in its internal organizational practices?*
- *Is the organization interested in addressing inequities that currently exist among groups in communities and society? If so, what aspects of inequality is the organization most interested in addressing, for example, those based on race, ethnicity, culture, class, gender, and/or sexual orientation?*



# Leading By Example Project Flow Chart

## 1st Meeting (January 13, 2002)

### Getting Started

- Share personal stories
- Organizational journey maps
- Explore definitions of diversity and equity
- Surface high stakes diversity and equity issues in communities
- Preliminary assessment of foundation strengths/weaknesses
- LBE theory of change and process
- Objectives and plan for 1st Cycle of Inquiry

## 2nd Meeting (April 14, 2002)

### Diversity Paradigms and Change Models

- Share and discuss results of first Cycle of Inquiry
- Launch personal work using personal journey maps, self reflection and assessment, development of learning plans, and role-alike conversations
- Cross-Foundation Dialogues:
  - (1) "Vision for Making Foundations More Inclusive and Equitable"
  - (2) "Elements of Viable Organizational Change Processes"
- Foundation Team Meetings:
  - (1) "Diversity Paradigms for Leading Change"
  - (2) "Planning for Deeper Organizational Engagement"

## 3rd Meeting (October 20, 2002)

### Sustaining and Embedding Change

- Progress Reports/Peer Consultations: Teams share data on foundation strengths and gaps, and discuss priorities and strategies for organizational change
- Working Sessions:
  - (1) "Creating Personal and Organizational Capacity for Change: Severing Ties to Old Practices and Assimilating New Ones"
  - (2) "Grantmaking and Community Leadership Strategies to Address Systemic Inequality"
  - (3) "Donor Development Strategies for Diverse Communities"
- Team Meetings: Vision, values, and principles for embedding LBE work in day-to-day operations

## 4th Meeting (February 9, 2003)

### Planning to Institutionalize Change

- Progress Reports and Peer Consultations: initial outcomes, barriers, opportunities, strategy changes, current needs, and long-term prospects
- Planning model for integrating LBE elements
- Working Sessions:
  - (1) "CEO Leadership Model for Engaging Whole Foundation in Diversity and Equity Work"
  - (2) "State of Diversity, Inclusion, and Equity Practices in Community Foundation Field"
- Review and update organizational change plans

## 5th Meeting (September 7, 2003)

### Leadership for the Long Term

- Foundation journey maps and peer feedback on LBE outcomes, lessons, and unfinished work
- Working Session: "Building and Engaging Trustee Leadership on Inclusion and Equity"
- Dialogues:
  - (1) "Strategic and Practical Challenges Facing Change Makers in the Community Foundation Field"
  - (2) "Joint Leadership and Advocacy to Impact the Broader Community Foundation Field"
- Future of LBE network





### **First Cycle of Inquiry**

- Use California Tomorrow's Data Collection Resource Guide to:
  - (1) continue surfacing community diversity/equity issues, and
  - (2) gather information on foundation practices.
- Leadership team meetings to consider foundation readiness for change, including:
  - what collected data indicates about current capacity to impact identified community issues;
  - current level of consensus on foundation's diversity and equity vision, principles, and priorities; and
  - possible next steps for developing an organizational change strategy.


### **Deepen Organizational Engagement & Learning**

- Complete collection of data and prepare for sharing with foundation staff, board, executive management, grantees, and community and civil partners.
- Expand leadership to include others who are committed to strengthening foundation's diversity, inclusion, and equity practices (e.g., establish core leadership committee).
- Begin first round of organization-wide assessment and planning to develop short and long-term priorities for improvement.
- Provide training or technical support for staff and trustees to learn about diversity and equity.
- Consider ways to align LBE efforts with core work.

### **Develop Plans to Institutionalize LBE Change Strategies**

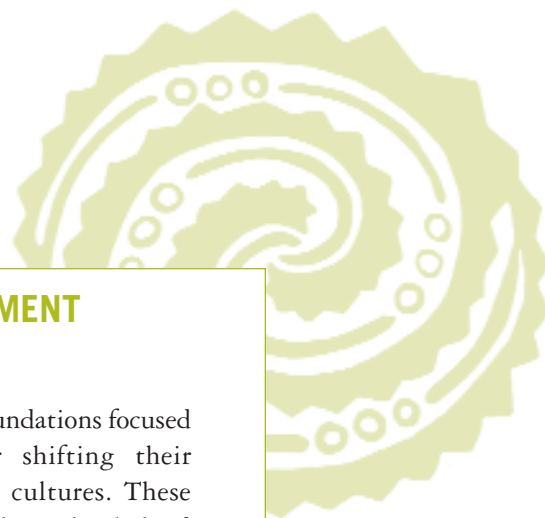
- Foundation teams support peers in developing objectives and strategies to move toward inclusion and equity in core functions—donor development, business practices, grantmaking, community leadership, etc..
- Continue using training and/or dialogue as essential resources to support organizational change.
- Develop vision statement affirming values and principles for inclusion and equity.
- Identify and secure organizational supports (e.g., policies, leadership, finances, technical assistance, etc.) needed to institutionalize change.
- Develop plan to carry work forward over next two to three years in all essential aspects of foundation; include evaluation to assess efficacy and measure progress.
- (Working with CCFY and California Tomorrow) Develop plan to share LBE work and success with local community and civic partners and with broader community foundation field.

## THEMES and CHALLENGES



The change process encompassed two distinct yet interrelated efforts. As one effort, the foundations sought to assess and improve specific policies and practices related to their ongoing work in such areas as grantmaking, development, finance, and communications. But to support this effort effectively, the foundations realized they also needed to set up a broader effort—one that established a process, culture, and structure for addressing diversity, inclusion, and equity more generally within their foundations. Both efforts were integral to the overall change process, and both involved challenges as well as opportunities. Although the change process is presented as occurring in a specific order, the actual chronology of work differed within each foundation.

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## PREPARING THE WAY: ORGANIZING A STRATEGIC ALIGNMENT PROCESS AROUND DIVERSITY, INCLUSION, AND EQUITY

**A**ligning practice, policy, and organizational culture to inclusiveness and equity is not just a matter of finding out what to do and doing it—it also requires that organizations create an environment where this can happen and that they build the skills people need to engage in an ongoing process of learning and reflection.

Within the LBE process, foundations focused on several strategies for shifting their environments, values, and cultures. These strategies, as described below, also helped create the conditions needed for more directed change on specific projects and in specific departments.

### Committing Leadership and Resources

*The impetus to build community foundations that truly reflect the diversity of the communities they serve must, first and foremost, come from community foundation CEOs. The support of staff and key board members is essential to moving the agenda, but it's the CEO who must set the agenda and secure the support needed to implement it.*

— Doug Jansson, *President*, Greater Milwaukee Foundation

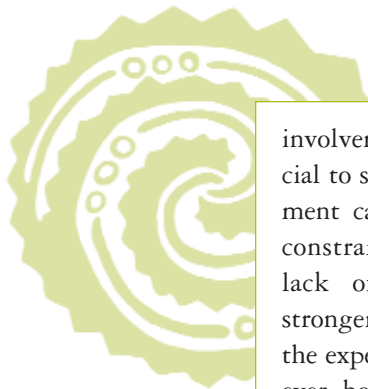
Increasing diversity, inclusion, and equity throughout a foundation requires CEO leadership and commitment, staff engagement, sufficient funding, and board commitment. As the four CEOs in the LBE initiative learned, heading up such a multifaceted process entails:

- making it known that diversity and inclusion are core values of the foundation and high priorities of the CEO;
- investing CEO and organizational time to ensure that the effort moves forward;
- engaging and supporting senior managers and staff in coordinating the process, and including tasks related to diversity and inclusion in staff job descriptions and time allocations;
- allocating foundation resources to support the process;

- responding to staff expectations and concerns as they go through the process;
- engaging trustee leadership; and
- making a commitment to personal learning (and change) about diversity, inclusion, and equity.

Executive leadership on issues of diversity and equity is essential. Committed CEOs can motivate staff and trustees who may otherwise feel that work on these issues is not needed, or who find them too contentious or threatening to address. At the same time, CEOs can also reassure and encourage those who care passionately about diversity and equity, but who worry that addressing these issues might be just a passing phase in the foundation, one to which they should not commit—emotionally or practically—for fear of disappointment.

Along with CEO commitment, board



## Doug Jansson

President

Greater Milwaukee Foundation

involvement and leadership are crucial to success. Gaining this involvement can be difficult, due to time constraints, competing interests, lack of board diversity, and a stronger commitment to other priorities. As the experience of the foundations shows, however, board attention is key in setting benchmarks, approving grants and initiatives, setting a tone for staff, and presenting a face to the community. At the East Bay Community Foundation (EBCF), for example, the board chair and CEO convened board and staff to discuss and agree on a joint action plan for foundation engagement and change. This helped create both momentum and a shared, comprehensive vision for organizational development on equity and inclusion.

Foundation staff members also play a critical role. All four LBE foundations relied heavily on the passion, leadership, and follow-through of lead staff members, who, for the most part, guided the translation of general goals and values into concrete action plans. According to all LBE teams, a key challenge was that these staff members did not always have time to do LBE work in addition to their other responsibilities. Consequently, LBE participants unanimously recommended that foundations seeking to do diversity, inclusion, and equity work dedicate sufficient staff time and funding for coordination and administrative support. As Diane Sanchez, EBCF's program officer and LBE lead staff explained:

*You can get people to roll up their sleeves and take on extra work in an intense way in the short term. But if you want this work to be on people's plates for the long-term, you have to make room on their plates.*

For a variety of reasons, few community foundations today truly reflect the diversity of the communities they serve, or see this as an issue deserving high priority. I see two compelling motivations for taking on this task

as one of the highest long-term objectives for the Greater Milwaukee Foundation. First, it's the right thing to do. Community foundations can and should be philanthropic leaders, not just in what they fund, but in how they operate. We can and should build a philanthropic tent in which all people feel welcome and valued.

Second, no community foundation can be effective in all its roles unless it represents the diversity of the community it serves. Unless we have diverse staff and boards, we cannot authentically talk with prospective donors of color. We cannot effectively serve as a convener on community issues that require input, consensus, and action by diverse communities. We cannot begin to bridge the racial divide that is a reality in almost all of our communities. Even more fundamentally, we cannot make the best decisions unless we welcome and value diverse input, viewpoints, and experiences.

Here in Milwaukee, there was agreement by staff that before the foundation could, with any credibility, address the external issues of diversity, it would first have to demonstrate its own internal commitment in its board and staff composition, its adoption and adherence to policies that promote diversity, its selection of vendors of color, and the like. We knew we could not, for example, question our grantees about their staff and board makeup unless our own board and staff better reflected the diversity of the community. In short, we needed to lead by example.

We still have a long way to go in building a community foundation in Milwaukee that truly represents the diversity of our community. But our board and staff are committed to this objective, and we are making progress—progress that we believe is essential for our success and effectiveness as a leading philanthropic institution in this community. ■

## Susan Whetstone

*Vice Chair, Board of Trustees*

The Community Foundation for Greater New Haven

When viewed over time, the change in New Haven is startling. In the past thirty years, the city of New Haven's population has literally reversed its racial makeup from a 68% White majority to a 64% non-White majority. If diversity were merely about numbers or quotas, then these changes would in themselves create the imperative for our foundation to do the work of diversity, inclusion, and equity. But beyond the demographics, at least from this trustee's perspective, there is another important imperative for taking up the work. In my view, we have both a moral and a social imperative to move forward our efforts if we are to reflect not just the racial and ethnic makeup of our communities, but also the differing ways in which our communities are "experienced." Much work remains to be done in understanding and setting an agenda that addresses persistent racial disparities within our communities.

At our board table, we need diverse voices that bring with them an understanding of different experiences. We need a diversity of differing viewpoints and perspectives if community foundations are to remain current and relevant to our communities.

I think that trustee leadership must begin with the conviction that diversity, inclusion, and equity are not merely integral to the continuing vitality and relevance of community foundation work, but are core to its success in convening, grantmaking, and asset development. We have to integrate this work into the total values and vision of the foundation.

The LBE experience challenged the traditional notion of diversity and affirmative action as supplemental to the work of the foundation. It provided a road map for embedding diversity, inclusion, and equity into the foundation's values, vision, and processes, and pushed for a deeper examination of these issues through dialogue, consultation, and introspective examination of both personal and organizational mores. It is a long overdue examination of the measure of our commitment and our internalization of the principles of diversity, inclusion, and equity. ■



LBE network meeting (Photo: Diane Sanchez)



Senorma Mitchell and Will Ginsberg  
(Photo: Diane Sanchez)



Gregory Hodge and Winsome  
Hawkins (Photo: Diane Sanchez)





## Collecting and Analyzing Data on the Internal and External Contexts

*Initially, our work was intended to be outside the foundation, addressing issues in the community. But at the first LBE network meeting, we saw that we couldn't do that until we dealt with diversity internally. To be a community leader, we need to exemplify the work ourselves. So the organizational inventory was a very important tool for us. When you look at the data, when you see the numbers, it becomes clear what work needs to be done.*

— Jim Marks, Vice President/Director of Grant Programs and LBE Lead Staff, Greater Milwaukee Foundation

Factors both external and internal to a community foundation affect its ability to incorporate diversity, inclusion, and equity into its work. Accordingly, California Tomorrow

developed data collection tools, guidelines, and activities to assist the LBE teams with the process of analyzing these factors.

### ■ External context: identifying community trends

Foundation teams assembled data on community conditions, needs, and concerns drawn both from their own inquiries and from existing outside studies. At each network meeting, teams shared what they had learned about their local contexts and how that information was shaping their equity and inclusion work. The stories that emerged had much in common.

East Bay, New Haven, and Milwaukee, for instance, identified challenges their communities are experiencing as they transition to having “new majority” populations of color. Their communities are also continuing to feel the effects of White flight and a migration of affluence to neighboring suburbs. At the same time, the responsibility for tending to families’ well-being is shifting from federal and state government to local government. Suburbanization and sprawl are taking businesses and resources out of inner cities, leaving majorities of color to grapple with deepening crises in public schools, health systems, parks and recreation departments, police-community relations, unemployment, and workforce development. The foundations were trying to decide how much to invest in stopgap measures to assist those most impacted by the loss of services

and how much to invest in more innovative leadership, advocacy, organizing, and community-building strategies aimed at addressing these challenges at a systemic level.

In Winston-Salem, external data collection highlighted the area’s changing demographic mix. In recent years, this historically White and African American community has seen an influx of Latino and, to a lesser extent, Asian immigrants. These groups bring with them new resources, needs, and opportunities. The foundation must now determine how to effectively serve these new groups while at the same time continuing to attend to the community’s deep and longstanding tensions and disparities between its African American and White populations.

The Community Foundation for Greater New Haven used the external data it collected to inform a new capacity-building and development initiative in communities of color. The initiative was designed to address and include all underrepresented groups. However, because census figures showed that the vast majority of New Haven’s populations of color are African American and Latino, team leaders initially chose to focus the work in these two communities.



## ■ Internal context: examining who is at the table

*We can't continue to grow and have relevance in the community without diversity. We need that perspective in the room when decisions are made. We need to change, or we'll become irrelevant.*

— Jane Moore, Program Officer and Diversity Steering Committee Member, Greater Milwaukee Foundation

LBE teams also examined internal patterns, including the demographic composition of their foundations' staff, board, and leadership as compared to the demographics of their communities.

Over the last decade, the four foundations increased diversity in some key areas. Yet as the LBE process began, all agreed that there was still significant work to be done in order for the foundations to become fully reflective and representative of their communities. Despite good intentions and ongoing efforts, the foundations mirrored challenging patterns found in the broader community foundation field:

- All have White men serving as CEOs.
- Several have women vice presidents; only one, however, has a vice president who is a person of color.
- Most of the people of color in senior and mid level management positions are concentrated on the program side of the foundations, not in donor development or finance.
- At least one foundation found that most of its staff of color hold administrative positions.

Similarly, community foundation boards are rarely as diverse as the communities they serve. The process for choosing board members often emphasizes the recruitment of well-known business and civic leaders with whom the current board members or external appointing authorities feel most comfortable. With one exception, the LBE foundations' board positions were

still overwhelmingly filled by White men over the age of fifty.

Moreover, even when women and men of color were on the board, they tended to be involved in numbers too small to achieve any sort of critical mass. As several LBE participants noted, foundations often fall prey to a "slot mentality," where candidates of color are considered only to fill positions vacated by former board members of color. This creates difficult situations for these board members, as they are often asked to speak for their entire ethnic communities and to carry the full responsibility for presenting alternative perspectives. As one trustee explained:

*I don't want to be the only minority representative on the board. It's not a position I enjoy or one where I feel I can be effective. It's 2003. If there's an organization with just one, or even two, minority members—especially an organization called a "community" foundation—it's a credibility issue. It sends a message about us being a club, and that's not a good thing. The community is made up of many pieces. We need all the pieces.*

Beyond enhancing credibility, board diversity can also support better communication, understanding, and decision making within the foundation. According to Trustee and Board Chair Helen Troxel, the East Bay Community Foundation has diversified its board significantly over the past few years. Currently, of the foundation's twenty-two

trustees, five are African American, one is Asian, and two are Latino. Seven trustees are women. According to Troxel, this diversity has been extremely beneficial:

*A diverse board plays a very important role in helping the foundation lead. Board members can serve as the touchstone to ethnic communities, helping staff and trustees create more effective strategies in addressing the very*

*real needs of these communities. Seeing diverse leadership also helps ethnic communities identify more easily with the foundation, breaking down barriers for a more meaningful dialogue.*

On another positive note, most LBE foundations had successfully involved people of color, women, and youth in advisory committees that help set grantmaking priorities.

### Clarifying Goals and Values: Adopting an Equity Perspective

*Diversity is not a just a subject for minorities. It's an organizational issue. It's not just about what we do. It's about who we are.*

— Geneva Johnson, *Former Trustee*, Greater Milwaukee Foundation

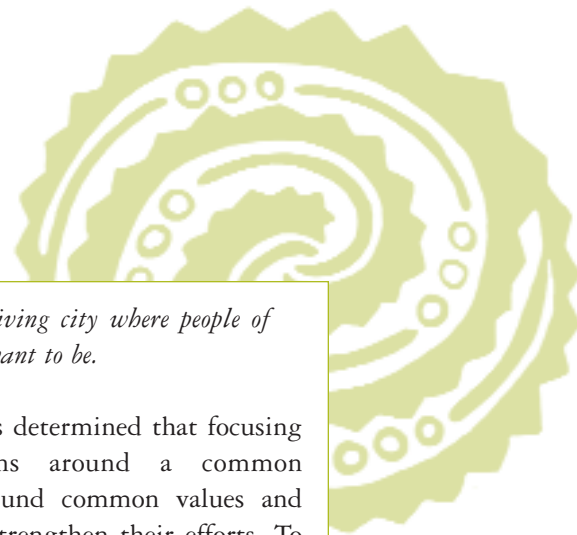
*As the LBE work has proceeded parallel to our strategic planning, it has become clearer and clearer to me how intertwined these issues are. As this institution reconsiders the role we play in our community, we must consider how to be of service to all elements of the community, and how to position ourselves to be a cohesive force among those different elements. The entire institution must understand as fully as possible the perspectives, priorities, and concerns of all of our constituencies and understand what divides us as a community. If we are to fulfill our potential as an institutional link between donors and the needs of our community, we must develop as strong an appreciation as possible for how to bring diverse constituencies together.*

— Will Ginsberg, *President*, The Community Foundation for Greater New Haven

Even with clear commitments to diversity, inclusion, and equity from their foundations, all four teams found that, as they began to work on these issues, they needed to build a shared understanding with each other and within their foundations about what these concepts mean and how to bring them to life. Doing so meant developing a shared vision for what they wanted to accomplish, agreeing on goals and priorities, and identifying the specific dimensions of diversity their foundations would address.

To assist the LBE teams, California Tomorrow introduced “Making Differences Matter: A New Paradigm for Managing Diversity,” an article by David Thomas and Robin J. Ely published in the *Harvard Business Review*, that sparked deep discussion about organizational responses to diversity. Although written for the corporate sector, the article identifies three different paradigms that organizations typically employ to respond to diversity—paradigms equally applicable to community foundations.





The first, a paradigm of “discrimination and fairness,” focuses on equal opportunity and equitable treatment. It aims to increase staff diversity within an organization as a matter of fairness and measures progress by success at recruiting and retaining employees of color. But this is as far as the change goes. As the article says, “The staff gets diversified, but the work does not.”

The second paradigm focuses on “access and legitimacy.” This utilitarian paradigm is driven by marketing goals and oriented toward gaining legitimacy and access in new demographic sectors. Organizations in this paradigm seek diverse staff so they can connect with an increasingly diverse customer or client base. The organization itself, however, does not change.

The third paradigm aims to connect diversity to deeper and more developed perspectives throughout the organization. It views differences as an impetus for learning and growth and assumes that multiple perspectives and the inclusion of diverse communities changes the way the organization is structured and works.

Discussing these paradigms helped each LBE team clarify its own goals, direction, and priorities—and suggested indicators and benchmarks for measuring movement toward becoming more diverse and inclusive organizations. Jim Marks, vice president and LBE lead staff for the Greater Milwaukee Foundation, described the understanding he had come to, an understanding that was shaping his efforts to help frame and move his foundation’s process:

*For myself, I’ve shifted from seeing diversity as simply an issue of tolerance or justice and injustice to seeing it also as an enriching value. What we’re trying to do is not just about ending discrimination, although it is about that. But it’s also about adding something. It’s about making Milwaukee a*

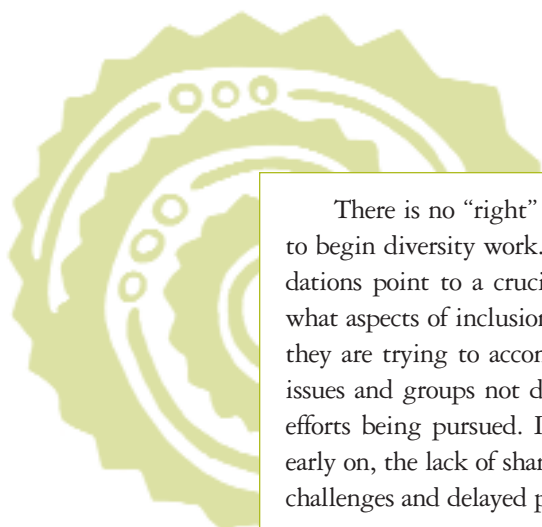
*community, a thriving city where people of all backgrounds want to be.*

The LBE teams determined that focusing their organizations around a common paradigm, and around common values and principles, would strengthen their efforts. To this end, each expanded existing diversity and equity statements or created new ones to guide foundation thinking, planning, and methods for measuring success.

Aligning values and goals also required that the LBE foundations decide which specific dimensions of diversity they were going to address. This was often challenging due to differing individual goals, priorities, and expectations. For some staff and trustees, race and class were the core equity issues; including other forms of diversity was thought to dilute and divert attention from these most urgent concerns. As Diane Sanchez, program officer from the East Bay Community Foundation, articulated this tension:

*It’s easier for people to talk about culture because it sounds like ethnic festivals and different kinds of food. But this country has never come to grips with acknowledging the impact of slavery and its legacy. When we started to talk about diversity and inclusion, immediately the staff wanted to add every group to the list. Every group has a story and set of issues, and while I believe these are all important, I don’t think that all diversity issues are equal. There are lots of ways that people can be discriminated against, but I believe there are fundamental issues around race.*

Others felt that focusing primarily on race and class was too narrow and excluded other forms of diversity, such as culture, sexual orientation, immigrant status, gender, and age.



There is no “right” or “wrong” set of priorities with which to begin diversity work. The experiences of the four LBE foundations point to a crucial need for organizations to determine what aspects of inclusion and diversity they will focus on, what they are trying to accomplish and in what sequence, and how issues and groups not directly addressed might fit in with the efforts being pursued. In some cases where this was not done early on, the lack of shared understanding and agreement raised challenges and delayed progress.

### **Building a Learning Culture and the Skills and Habit of Dialogue**

Foundations benefit greatly from engaging their staff and trustees in dialogue to explore and discuss diversity, inclusion, and equity issues together. Without open and, at times, facilitated dialogue, a foundation cannot arrive at shared understandings about organizational values and goals. Dialogue also supports personal learning, which is integral to organizational change, and provides opportunities for thinking through new ideas, challenges, potential changes in policy and practice, and setbacks. And in diverse organizational contexts, dialogue is necessary for surfacing and integrating the multiple perspectives that strengthen decision making and enhance organizational effectiveness.

Even with the best intentions, learning and dialogue about such issues as racism, cultural differences, gender dynamics, and other dimensions of diversity are difficult. These issues tap deep-seated emotions, engage people’s hearts and histories, and raise tension. As Mike Howe, president of the East Bay Community Foundation, notes:

*It may sound contradictory, but when you say, “Yeah, we want to talk about race,” you know that emotionally these issues will conjure up all sorts of fear, in everybody. Not just White or African American folks, although there may be more discomfort between African American and White folks. The amount of work and energy it takes for people to talk to one another around these issues, just to have a conversation, is extraordinary. I think everyone fears these conversations.*

The experience of the LBE foundations shows that having a “way in” to both personal reflection and organizational discussion can be helpful. Without exception, all LBE teams chose to invest resources in some form of training or

### **James Gore**

*Program Officer*

The Winston-Salem Foundation

I joined the Winston-Salem Foundation as a young, African American, liberal-arts-educated male who grew up in a White, Midwest, middle-class suburb. I have always had to negotiate the landscape of my identity, whether it is ethnicity, age, or another “otherness,” in a culture in which I was not native. In each of my spheres, I have either grabbed or been christened with the role of “change maker” for the organization or community where I lived.

As a result, I have found a personal responsibility to promote diversity within organizations. The challenge for both the foundation and me is to build trust by not only doing things differently, but also by being different. Even as a person of color, there is a great deal of personal work that I must do in order to understand how my identity affects my involvement within the foundation. I cannot let myself off the hook and think of diversity only in terms of race, but must also be vigilant in terms of gender, sexuality, age, and job responsibility. Engaging in this work as a person of color is not the easiest thing. People of color are not often given safe spaces to explore issues of ethnicity, power, and racism in our community. We are expected to already know the answers. We are expected to be the authority on racial issues. Sometimes we are conflicted by trying to advocate for what is right for the community we are supposed to represent and the reality of using too much of our own political capital to fight for a cause that we may not win or that may yield a smaller victory than we expected.

One of my roles is to act as a bridge to build trust between segments of our



community that have not traditionally been reflected in the culture of foundations—grantees—and those that have accumulated wealth that provides our philanthropic resources—donors. This grantee and donor relationship mimics many dynamics in our communities: rich and poor, White and Black, male and female, young and old, straight and gay. For me as an individual, this work is only fulfilling if the foundation is engaged in a change process. The personal fulfillment of helping others in our community only goes so far if the foundation is not willing to become a more just organization. Foundations invest tremendous resources on professional development for their staff, but they also need to invest in helping their staff of color, women, young staff, and gays and lesbians to be their best. This becomes a key to retention.

I have been fortunate to be a part of a foundation that understands this. Our foundation leadership is committed to the individual personal growth needs of every staff person, even if they do not know exactly how to provide it. They provide a safe space for each of us to explore and challenge both the foundation and ourselves. Not only have alliances been built, but also deep friendships have been forged across lines of race, gender, age, and job title. Our foundation is beginning to understand that doing things that build a diverse and inclusive organization and community is no longer enough. Now, we are beginning to rely on staff and board members as our greatest assets in being a diverse and inclusive organization. ■

support aimed at opening or deepening staff and trustee engagement on issues of equity or inclusion. This was seen not as an end in itself, but as a support for the larger change process.

The East Bay Community Foundation, for example, used written materials and consultant-led discussion sessions as the basis for structured conversation about both the foundation's internal culture and larger social issues. The Community Foundation for Greater New Haven worked with a consultant to facilitate staff dialogues as part of a foundation-wide training series. And the Greater Milwaukee Foundation and the Winston-Salem Foundation recreated LBE activities in staff-wide contexts as springboards for conversation.

The fact that these dialogues occurred in the workplace posed a dilemma for some of the teams, due to the challenges associated with discussing matters of a personal and sensitive nature. The foundations acknowledged that organizational change requires individual change. At the same time, however, they also recognized that not all staff and trustees were comfortable participating in such dialogues with their colleagues and/or supervisors. There are no easy answers to this dilemma; some foundations chose to make attendance at learning sessions mandatory while others strongly recommended attendance but did not require it. In either case, the foundations recognized the possibility that some staff and trustees would not feel safe in revealing personal or sensitive information.

The experience of foundation teams also shows that as both individuals and organizations become more experienced at talking about issues of inclusion, more opportunities and space for such dialogue become available. While progress can be slow and sometimes painful, most LBE foundations found that dialogue is now increasingly welcomed. Mike Howe notes:

*The personal work that we've done has allowed us to begin to really feel LBE as part of the organization, rather than "we're doing it because we said we were going to do it." It's more than just our workplan. It's part of the culture of the organization. Individuals are able to talk to one another about issues that they were unable to talk about when we started the process. In talking, there's also the ability to begin to shift how we problem-solve within the organization, taking into account that different perspectives may in fact result in a really different way of looking at issues.*


## Taking a Comprehensive View

*We are trying to do the LBE work in such a way that the foundation's whole structure is engaged. This has shifted the way our board and staff engage with our work. LBE is now an elemental part of our operation.*

— Mike Howe, *President*, East Bay Community Foundation

*There's an embedding process that needs to happen. This work is not optional—it's essential, like having a good accounting system. Diversity and equity need to figure into millions of little bitty tasks and decisions. It's not just about value statements. It's about how we do things.*

— Diane Sanchez, *Program Officer*, East Bay Community Foundation



Efforts to address diversity, inclusion, and equity cannot be separated from other foundation processes. They cannot be add-ons. They cannot be the work of just a few people, or even a few departments. Instead, these efforts must be integrated into everything people are doing, thus becoming a set of values, policies, practices, and habits that make organizational work more effective. To accomplish this integration, the four LBE foundations concluded that, across the foundation, decisions—large and small—must be viewed through a diversity and equity lens. While all foundation teams agreed that bringing such a lens to their work was important, and that doing so requires intentional strategies and mechanisms, the choices the teams made and the approaches they used for building comprehensive engagement varied.

The LBE initiative's theory of change gave teams the flexibility and responsibility to decide whether their initial LBE focus would be foundation-wide or concentrated on one or two functional areas. For each foundation, factors affecting this decision were the foundation's history, whether staff and trustees were prepared to undertake the work, the resources available for supporting diversity and equity efforts, and the foundation's specific change priorities. In either

case, the foundations' efforts called for sustained commitment and similar internal work: reflection and assessment, strategic discussion, individual and organizational learning, and action for change.

The Greater Milwaukee Foundation and the East Bay Community Foundation began with organization-wide assessment and planning—reviewing goals and practices in all departments and including all staff in dialogue and planning on LBE related topics. The East Bay Community Foundation also focused on engaging its trustees in all aspects of the process, thereby embedding inclusion and diversity efforts in all levels of the foundation. In both foundations, the systemic approach drew on top-level leadership from the CEO and/or the board as well as on significant coordination efforts at the lead staff level. Challenges arose as the foundations sought to involve large numbers of people in complex and difficult dialogues, and the process was sometimes felt to be advancing slowly. At the same time, involving so many people and including so many facets of the organization created shared vision and direction that paved the way for consistency and alignment across the foundation's work.

The Winston-Salem Foundation and The Community Foundation for Greater New

Haven started with more focused elements—donor development, community leadership and development, grantmaking, and staff training. Their goal was to leverage existing equity-centered initiatives, using the LBE process to strengthen their work on these initiatives and to prompt more comprehensive internal analyses and capacity building. The challenge here lay in keeping this work from being marginalized in discrete areas of the foundation or becoming identified with just a

few people. Aiming to support diversity and equity efforts across the organization, The Community Foundation for Greater New Haven hired a consulting group as its LBE work progressed to provide diversity training and coaching for its staff and board. At the Winston-Salem Foundation, efforts on two equity-centered foundation initiatives surfaced new organizational questions and challenges, that the foundation has begun to address on a broader level.

### Preparing for a Long-term, Ongoing Journey

*One of the challenges of writing about this work now is that the time is too short. We're just beginning—we won't have our learning for years. What we can write now is that this work is hard, it takes time, and people will be resistant to change. The key is finding ways to sustain it.*

— Lisa McGill, Former Program Officer and LBE Lead Staff  
The Community Foundation for Greater New Haven

During the LBE process, each of the four participating foundations moved its work forward toward greater inclusion and equity. Yet each also became increasingly aware of how much farther there is to go. Launching and sustaining an assessment, dialogue, and planning effort is labor intensive. As the LBE efforts got underway, the foundation teams had to deal with two issues that commonly emerge during such endeavors. The first issue involved foundation resources. It was difficult to find staff time for both coordinating and participating in the LBE work, especially when shrinking foundation budgets precluded adding personnel. The second issue involved balancing the time required to achieve foundation-wide consensus against the desire to move quickly

toward doing something concrete and immediate. Top-level leadership recognized that embedding values of inclusion and equity calls for dedicated resources and strong leadership. It also calls for setting realistic expectations about the time frame for achieving results and for creating mechanisms to keep the work going as a regular part of foundation life.

Over the life of the initiative, all foundation teams were successful in building greater awareness and capacity within their foundations to address both internal and external issues of diversity, inclusion, and equity. The LBE teams also used data they collected and discussed to begin strengthening specific areas of foundation practice and policy.



# Greater Milwaukee Foundation

## Assessment and Planning Across the Foundation

### LBE Team

Doug Jansson, *President*

Jim Marks, *Vice President/Director of Grant Programs and LBE Lead Staff*

Geneva Johnson, *Former Trustee*

Sernorma Mitchell, *Program Officer*

The Greater Milwaukee Foundation, established in 1915, serves a diverse, four-county region of urban, suburban, and small town areas in southeastern Wisconsin. The foundation is one of the largest community foundations in the country, holding assets of \$350 million and providing grants totaling more than \$22 million from 800 funds. For Doug Jansson, the organization's president, and Jim Marks, its vice president, the LBE project offered an opportunity to do the internal work they felt was necessary to strengthen the foundation's efforts on key local issues, including disparity, economic need, and racial separation.

The Milwaukee area is very diverse, but highly segregated by both race and class. Milwaukee itself is a "new majority" city, with 33% African American, 14% Latino, 1% Native American, 3% Asian/Pacific Islander, and 49% White populations. Poverty has increased due to a recent downturn in the region's manufacturing economy. At the same time, a new finance and high-tech sector has brought jobs to residents of the largely White, middle-class communities in and around Milwaukee, but has not alleviated unemployment problems in communities of color in the city itself. Tensions are high between ethnic groups, and gaps are widening between the haves and the have-nots.

Jansson's goal is for the organization to offer bold leadership for the creation of a more inclusive region, one that better attends to the needs of its most disenfranchised populations and supports more equitable civic participation and decision making, along with cross-racial awareness and understanding. The foundation's initial LBE team—including Jansson, Marks, and former Trustee Geneva Johnson—knew that, as a primarily White institution, the foundation did not yet have the necessary variety of perspectives and relationships, or the awareness and comfort talking about race, to play a full or credible leadership role. Staff and board members also did not have a complete picture of what it would look like or require to actively promote issues of diversity and equity. Individuals within the foundation were committed to playing that role, but there was little shared vision across the organization. One of the LBE objectives, therefore, was to review all foundation activities and to develop a plan for bringing people together across functional areas to suggest and pursue changes that would improve their work. As Jansson noted:

*This is about organizational effectiveness, not just "doing the right thing." The challenge here is to embed these values in what we're doing—in the board, in how we look at grantees, in our hiring practices.*

### Comprehensive Internal Review

For the LBE team, initial network activities, dialogue, and data collection were a powerful wake-up

call. In comparing the demographics of the area the foundation serves with the foundation's own staff and board composition, the team found that the foundation's staff and board were not as representative as they wanted or needed to be of their diverse constituencies. For example, while the city of Milwaukee's population was 33% African American, only 5% of the foundation's staff and 8% of its trustees were African American. Similarly, 3% of staff and 8% of trustees were Latino, as compared to 14% of the city's population. By contrast, while 49% of Milwaukee's population was White, 89% of foundation staff, 100% of management, and 83% of trustees were White.

An initial analysis of foundation strengths and challenges also revealed many areas where the organization's practices were not yet aligned with the equity and diversity goals the foundation was promoting and working toward in the larger community. Based on this, the team decided to involve the whole foundation—staff and board—in a process of dialogue, assessment, integration, and realignment of the foundation's work around diversity and inclusion.

In May 2002, the LBE team kicked off the foundation-wide process with a full-day, all-staff retreat. The retreat's purpose was to spark people's interest, secure their commitment, create a sense of urgency related to diversity and inclusion, and open dialogue, share data, and begin the process of identifying issues, challenges, and goals.

The retreat was facilitated by California Tomorrow, and included three introductory activities selected by the LBE team from among those its members had experienced within the LBE network meetings: 1) personal reflection and sharing about staff members' own previous work in diversity; 2) an organizational journey map looking at the foundation's history of engaging with internal and community issues related to diversity, inclusion, and equity; and 3) an initial look at the strengths, weaknesses, opportunities, and challenges around equity and diversity within the community. With the strong encouragement and participation of two of the foundation's top leaders (Jansson and Marks), these activities surfaced many issues and challenges—both regional and specific to the foundation—including suburbanization and the intense concentration of poverty by race, the reluctance of people in the city of Milwaukee to deal with issues of equity and diversity, and the greater degree of success in including women throughout the foundation than in including people of color.

The retreat served as a springboard for launching a longer-term, broad-based process of diversity-related assessment, planning, and change. All staff were involved in cross-departmental workgroups; each workgroup reviewed and assessed one department's engagement with diversity issues and recommended specific actions the department could take to expand its efforts.

### Sample workgroup assessment: Community Leadership

#### Strengths & Assets

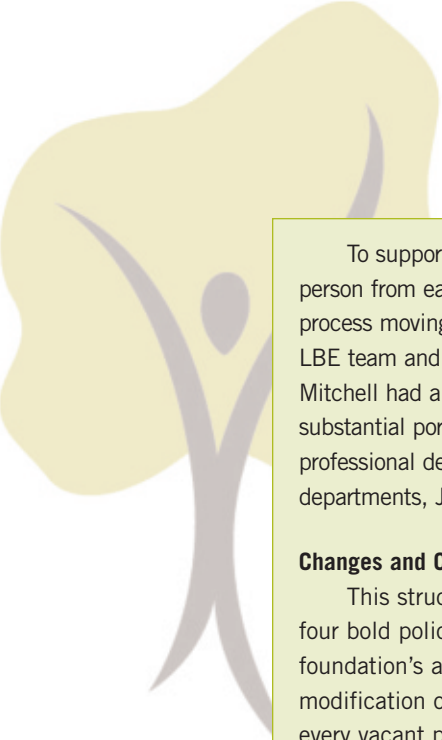
- Contacts with donors and grantseekers
- New tools—website
- Well-known and respected
- Neutral
- Innovative
- Make grants

#### Weaknesses & Gaps

- Will be a risk and shift to take a proactive leadership role
- All things to all people
- Leadership of color shortage
- Board and staff—tokenism
- Need board leadership on diversity

#### To Do

- Develop a clear statement delineating the diversity policy, and include reference to commitment to diversity in our publications
- Document grants made as allocated by race, income, gender, age, sexual orientation, large institutions vs. small grassroots organizations
- Diversify GMF board and staff
- Expect grantees to have board and staff that reflect the community served
- Work with others' efforts to build diverse leadership
- Conduct training to bring in new voices and different perspectives



To support the workgroups, a foundation-wide steering committee was formed that included at least one person from each department. The steering committee met quarterly and was charged with helping to keep the process moving. In addition, Jansson, Marks, and Johnson brought Program Officer Sernorma Mitchell onto the LBE team and asked her to serve as the point person for keeping the foundation's internal work moving. Mitchell had a deep passion and a strong background for doing this work; Jansson and Marks dedicated a substantial portion of her position to LBE leadership and provided both funding and support for her continuing professional development on these issues. In addition to the foundation-wide efforts to embed LBE work in departments, Jansson and others worked to increase board commitment and board and staff diversity.

### **Changes and Challenges**

This structure has supported and encouraged progress at a variety of levels. The foundation has made four bold policy changes of which the LBE team and steering committee are especially proud. One is the foundation's adoption of a revised and strengthened anti-discrimination statement. A second is the modification of the foundation's hiring process to require a proactive search for candidates of color for every vacant position. A third policy change concerns the appointment of trustees—the foundation has worked with its external appointing authorities to shift the ratio of externally appointed to foundation appointed members. The board itself now selects three more of its own trustees than it used to, allowing it greater flexibility to diversify its membership. As a result, the foundation increased board diversity this year. Finally, the foundation has sought and received board approval to recruit non board members of color for key board committees, including development, communications, and program.

Other accomplishments have been made on a department-by-department basis. These include:

- compiling a vendor directory of minority-owned businesses, which has been circulated throughout the foundation;
- modifying the foundation's grant application process to gather data on the board and staff diversity of all grant applicants;
- filling three of seven vacant positions with staff of color, including the foundation's first senior manager of color;
- gaining financial and administrative support for the Hispanics in Philanthropy program, the Women's Fund of the Greater Milwaukee Foundation, and a local lesbian, gay, bisexual, transgender fund;
- funding a University of Wisconsin-Milwaukee report on the growth of poverty in the Greater Milwaukee area over the past thirty years; and
- planning, with the assistance of a board member and former board member, a reception for prospective donors of color.

Additionally, foundation wide, the LBE project encouraged more open conversation about issues of race and diversity. And the cross-departmental teams helped break down some of the "silo effect" in the foundation, bringing people together across physical and psychological departmental divides.

### **Moving Forward**

Despite inevitable challenges, as the LBE initiative winds down, the Greater Milwaukee Foundation's diversity efforts continue to grow. Plans for the future center on implementing much of what has already been identified in the departmental workplans. Specifics include looking at the organization's investment policies, continuing to find ways of diversifying staff hiring processes, expanding donor outreach efforts in the African American community, and pushing for even greater



involvement from communities of color on the Board of Trustees. In addition, the LBE team has planned a staff training series on issues of diversity, privilege, and anti-racism. These actions are intended to keep diversity, inclusion, and equity on the table, both conceptually and on a practical level, and to continue pushing for deeper understanding of how they support and enhance what the foundation is doing. As Jim Marks noted:

*Yes, this is about social justice. But it's also about what makes a good community foundation work. This process has helped add vibrancy to our organization and our community.*



Photo courtesy of the East Bay Center for the Performing Arts

## CHANGING PRACTICE AND POLICY

The leadership of all four LBE foundations expressed deep interest in having the foundations become stronger catalysts for change in their communities. They knew this would require alignment of practices and values in every area of the organizations' work. This section describes the opportunities and challenges encountered in the foundations' efforts to enact their values and principles. It is intended to give an overview of the approaches

LBE leaders used to become more inclusive and equitable in a few key areas of work:

- grantmaking and community leadership;
- donor development and asset management; and
- business practices.

### Inclusive and Equitable Grantmaking and Community Leadership


*The foundation's role as grantmaker, convener, and philanthropic partner obligates us to be a leader within our community. In order to be true to our values, we must be bold and use our leadership to be advocates for the greater good. This is our responsibility.*

— James Gore, Program Officer, The Winston-Salem Foundation

In many community foundations, the core strategy most attuned to issues of diversity, inclusion, and equity is grantmaking. Accordingly, it was no surprise that as LBE leaders assessed their current efforts, they found that their foundations were already doing a solid job of funding organizations and projects that reach a diverse cross-section of their communities, and that their grantmaking effectively prioritizes programming for communities of color, low-income groups, and other underserved populations. Reflecting on diversity, inclusion, and equity in grantmaking was therefore less about whether the foundations were serving communities of color and more about how and to what ends. The LBE foundations wanted to deepen their already-established efforts, first by clarifying their community-wide goals and intended

outcomes, and then by aligning their strategies and departments to match those objectives.

To accomplish this, the LBE teams engaged their foundation leaders in assessing and discussing the community data they were gathering. Whether directed toward foundation-wide evaluation or a more focused discussion about a specific grantmaking initiative, the questions raised were similar: What did demographic data or studies reveal about the most urgent diversity and equity concerns facing their communities and regions? How were demographic changes deepening longstanding race-relation dilemmas or structural inequalities? Were these urgent concerns on the radar screens of key community, civic, corporate, and public sector leaders? In what ways could their foundations' grantmaking and leadership contribute to existing efforts?



In what ways was the foundation being called upon to take a stronger leadership role as a catalyst or advocate for change?

As LBE leaders shared findings from their local data collection, several challenges emerged. Effecting change around pressing local equity issues is becoming more difficult. For example, for the three foundations that serve urban areas with new majorities of color (East Bay, Milwaukee, and New Haven), addressing social problems in their regions requires addressing the fact that suburbanization is drawing much needed resources (both money and leadership) away from the inner city.

Moreover, the availability of public resources for U.S. communities has declined sharply over recent years, and the responsibility for providing a safety net and caring for society's most vulnerable groups has shifted from federal and state levels to local government. Foundations are increasingly filling gaps in funding for essential services, which requires them to balance these immediate needs against advocacy, organizing, or community-building strategies that might bring community and civic leaders together to tackle these urgent concerns on a more systemic level.

Exacerbating this problem is the fact that addressing deep-seated social problems requires a substantial commitment of resources—money and leadership—over a long period. Putting together enough resources for such change-oriented grantmaking has proven difficult. The bulk of most community foundations' resources is spread across hundreds of donor-advised funds, which are difficult to coordinate, and making a substantial resource commitment from a foundation's unrestricted assets or endowment requires board-level consensus, which can sometimes be difficult to attain.

To respond to these strategic challenges, the LBE foundations are partnering with other foundations (national and regional) to launch more ambitious grantmaking or community

leadership efforts on such issues as race and poverty in families, cross-cultural leadership development, urban economic and community revitalization, out-of-school and early childhood learning for underserved children and families, and inner city violence prevention. This partnering strategy works in the short term to help secure the resources needed to launch innovative work and expose other institutional leaders to it. In the long term, however, effective equity-related grantmaking and leadership efforts require ongoing commitment from community foundation donors and trustees. For this reason, foundations that wish to make a strong, sustained impact on systemic equity issues through grantmaking must be prepared to build or expand awareness and commitment to these issues among their donors and trustees.

Within their program departments, several LBE teams used resources provided at network meetings to review current practices and to create preliminary plans for strengthening grantmaking impact. For example, a cross-departmental committee of staff and managers at the Greater Milwaukee Foundation identified strengths and weaknesses in the foundation's existing grant programs (see next page).

To respond to the weaknesses and gaps identified, the committee developed the following recommendations:

- Increase foundation leaders' attendance at annual meetings of agencies of color and at diversity-related events
- Track grants by race/ethnicity of grantees' staff composition, board composition, and population served
- Encourage proposals from specific geographic areas within the city or for certain groups
- Conduct brainstorming/planning with agencies that undertake diversity work

### Grantmaking Department Assessment Greater Milwaukee Foundation

Strengths & Assets	Weaknesses & Gaps
<ul style="list-style-type: none"> <li>• Diverse program staff with great experience networking</li> <li>• Guidelines place a priority on diversity</li> <li>• Funds meeting special needs and sectors: AIDS Fund, Women's Fund, Gay/Lesbian Fund</li> <li>• Large pool of discretionary funds for grantmaking</li> <li>• Donor tours</li> </ul>	<ul style="list-style-type: none"> <li>• Underdeveloped relationships with inner city nonprofits</li> <li>• Inflexible and cumbersome guidelines</li> <li>• Asking for data; but not tracking ethnicity of grantee organizations, including boards</li> <li>• Few grants made to programs to promote diversity</li> <li>• Grantmaking is geographically targeted outside city of Milwaukee</li> </ul>

- Create a new foundation staff position to focus on diversity plan interpretation and implementation

Finally, the committee put forth a recommended set of questions for program officers to use in reviewing prospective grants:

- How will the organization involve people in meaningful ways in the program? Are participants empowered as partners with responsibilities and important roles?
- Is the program well designed and accessible? What steps has the organization taken to reduce barriers to participation?
- How does the program collaborate and build partnerships with other organizations?

- How does the proposed project consider and respond to racism, sexism, classism—the root causes of poverty?

The other foundations also sought to expand and/or institutionalize attention to diversity and inclusion in assessing and working with grantee organizations. All developed policies and systems for collecting diversity-related data from grant applicants—including demographic information both on the endpoint recipients of these organizations' services and on the staffing, leadership, and governance of the organizations themselves. Most plan to use this data not as a grantmaking screen, but to identify organizations that need support in community outreach and/or staff and board diversification.





## ■ Community leadership

*Making real change in the community goes back to leadership. It has to be across a broad spectrum of the community. We have to enable all people to have a voice.*

— Ann Ring, *Trustee*, The Winston-Salem Foundation

The strategies that foundation leaders could use to strengthen their organizations' positions as community leaders are not clear or simple. Foundations play many roles—they serve as a conduit for and steward of local philanthropic dollars, they address the full spectrum of community needs, and they may take advocacy positions on systemic equity issues. Negotiating these roles proved a challenge for the LBE foundations. Fear of angering or alienating one segment of the community by taking positions and actions that were viewed as politically charged was the subject of considerable discussion in LBE meetings.

The LBE teams concluded that they must shift their leadership strategies toward building regional capacity and supporting action for integrated, systemic-level change—in major public institutions, the regional economy, and civil society. To achieve the level of change needed to redress structural inequality, the foundations must become stronger community players and partners. And for this to happen, they must lead by example—they must model what it means to be diverse, inclusive, and equitable.

At the time the LBE initiative began, the participating foundations were already engaged in a number of leadership efforts. During LBE network meetings, the foundation teams discussed systemic equity issues and shared scholarly and “promising practice” resources. As a result, they were able to strengthen their ability to lead change efforts related to system-level issues and dynamics. In particular, LBE leaders identified a continuum of leadership roles—from that of a “neutral convener” that brings a community’s disparate

leadership forces together to that of a “catalyst” or “advocate” for change that harnesses foundation resources toward more directly influencing local or regional policy, opinion, or action.

Over the course of the initiative, several foundations engaged in work at the catalyst or advocacy levels. For example, the East Bay Community Foundation used the LBE work and a related values statement as a springboard for educating donors and grantees about the negative impacts likely to flow from passage of a statewide ballot measure aimed at limiting the collection of race-specific data. The Winston-Salem Foundation drew on the project to further existing work on its ECHO (Everyone Can Help Out) Fund, a multiyear community education and development initiative using the concept of *social capital* across groups to challenge norms of racial separation and help build interethnic trust and inclusive leadership. In these and other cases, the foundations had to negotiate the delicate tension between being on the leading edge of controversial community issues involving race and power and the potential for alienating allies, donors, or mainstream civic community leaders.

Despite this tension, the LBE foundations felt the process supported them in actively leading equity and inclusion efforts within their communities. Their staff and board leaders understand that impacting the root causes of systemic crises in their communities requires the development of strategies that cut across all foundation areas. They also know that to fully establish and sustain partnerships among community, public, and corporate sectors, the foundations must lead the process of bridging the distance between diverse leaders and sectors.



# The Winston-Salem Foundation

## Addressing Equity and Diversity in Key Foundation Initiatives

### LBE Team

Scott Wierman, *President*

James Gore, *Program Officer and LBE Lead Staff*

Ann Ring, *Trustee*

Donna Rader, *Vice President for Grants and Programs*

The Winston-Salem Foundation, established in 1919 and currently holding \$190 million in assets, joined the LBE process seeking to strengthen and expand two existing initiatives focused on improving race relations in Forsyth County, North Carolina. A small urban community, Forsyth County's population is 67% White, 25% African American, and 7% Latino. Since commemorating its seventy-fifth anniversary ten years ago, the foundation has taken a stronger leadership role in community building, with the goal of creating greater equity in civic leadership and decision making. As part of this work, the foundation has funded—and its staff and board have participated in—dialogues and training to reduce racism. But the foundation's leaders have found that improving intergroup relations in Winston-Salem is often best accomplished when staff and trustees model inclusion and equity practices, engaging diverse community and civic leaders together in meaningful work across racial and other divides.

Each of the four leaders who participated in the LBE network has experience in supporting this type of community engagement, and the team drew on this experience to structure the LBE work. The team used peer dialogue and LBE change strategies to advance two of the foundation's key inclusion and equity initiatives: the ECHO (Everyone Can Help Out) Fund and the Black Philanthropy Initiative. ECHO is an innovative, multiyear social capital initiative that aims to strengthen connections and mutual support among members of Winston-Salem's diverse community and civic leadership network. The Black Philanthropy Initiative aims to improve the foundation's capacity to build relationships with and engage African American donors, thus expanding African American philanthropy in Forsyth County.

During the LBE initiative, the team supported foundation staff and trustees in clarifying community objectives for both the ECHO Fund and the Black Philanthropy Initiative and in demonstrating strong local leadership to promote racial trust and equity. In addition, this work helped the foundation move toward broader organizational reflection and assessment, strategic discussion, and individual and organizational learning.

### The ECHO Fund

The ECHO Fund, launched in 2000 with a five-year, \$2.5 million investment, is a testament to the foundation's commitment to promoting inclusion and equity in community relations and civic decision making in the Winston-Salem area. Drawing on the work of sociologist Robert Putnam, the foundation recognized that higher levels of social capital—which it defines as “connections between people, based on trust, which enhance cooperation for mutual benefit”—are important indicators of the quality of life in communities. Through the ECHO Fund's various strategies—community education, grantmaking, capacity building, and community leadership—the foundation is raising awareness of and commitment



to building social capital among Winston-Salem's diverse communities and civic leaders. The foundation's specific focus is on supporting individuals and organizations working to create trust and cooperation across racial and other divides—Putnam's benchmark studies and foundation indicators found that this type of "bridging" social capital is particularly low in Winston-Salem.

Since the ECHO Fund's inception, its staff and board champions have garnered strong support for the initiative. They have also inspired passion and commitment on social capital issues among other staff and trustees, and in the community. Driven by the community-based work of the fund's various grantees, and the foundation's own annual ECHO Awards, which honor individuals and associations building social capital, community awareness of the value of social capital has increased dramatically.

The LBE initiative impacted the ECHO Fund in a number of ways. According to Program Officer James Gore, the LBE team's conversations with peers at LBE network meetings and the opportunity they had to consider the fund's strategic objectives in the context of the foundation's broader diversity and equity agenda helped strengthen the ECHO Fund initiative. Drawing on the encouragement of LBE network members and other resources, the foundation clarified the initiative's theory of change, assessed current outcomes, and considered potential new points of impact.

As a result, foundation leaders are working to augment the ECHO Fund's initial emphasis on social-capital-related grantmaking. Building on the foundation's influence and position, they wish to take a stronger role in influencing public discourse and policy making. They are also expanding the ECHO Fund's priorities from its early focus on building interpersonal trust across racial and cultural groups to developing inclusive and equitable community leadership in Forsyth County.

Foundation leaders are also in the process of designing and forming a new community ECHO Council. In addition to providing the community with an important infrastructure for shaping the ECHO Fund and other foundation efforts, the ECHO Council is intended to serve as a vehicle for promoting the development and visibility of emerging leaders from traditionally underrepresented groups in Winston-Salem. By leading by example with this effort, the foundation seeks to model and promote the benefits of expanding local decision-making bodies in ways that draw on the talents and multiple perspectives of a wide range of community members, leaders, and advocates.

Finally, under the leadership of trustee and LBE team member Ann Ring, the foundation has recently sought to connect its ECHO Fund with a \$45 million Millennium Fund for downtown renewal designed by the city's corporate leaders. As Ring explained:

*Our intention is never to let the building of social capital off the radar of this city. The movement to renew downtown is focused on economic development, but we think that economic development and community development, the development of people, must go hand in hand. So our board met with the Millennium Fund steering committee, and we have been sharing our thoughts and information.*

### **The Black Philanthropy Initiative**

The Black Philanthropy Initiative (BPI) commenced in the summer of 2000, with a \$50,000 ECHO Fund grant and an equal contribution from another local foundation. The BPI is an important internal organizational change strategy aimed at deepening the foundation's relationship with the African American community and drawing in a greater number of African American donors. Developed by James Gore in partnership with foundation President Scott Wierman, Grants and Programs Vice



President Donna Rader, and Donor Services Vice President Annette Lynch, its objectives include:

- broadening the circle of foundation donors to include more African Americans;
- establishing bonds among African American donors, and between African American donors and the organizations that serve their community;
- establishing links to African American professional advisors and financial consultants; and
- improving relationships between the foundation and the African American community.

As Lynch noted:

*Last year, we held our two annual events. Our community meeting, which involved a broad cross-section of community members, including grantees and donors, was beautifully diverse. Our Legacy Society dinner, which involved only donors, was not a diverse group. It bothered me to see the disparity between the two events and reemphasized the need to actively engage diverse donors.*

Over the last year and a half, the team has focused primarily on planning and initiative design, as well as on learning as much as possible about African Americans' interest in and approaches to philanthropy in the Winston-Salem area. The foundation dedicated time and resources to identifying and building relationships with African American leaders and potential donors, collecting data from these people through focus groups, forming an African American advisory committee, and drawing on this committee to solidify the foundation's vision and infrastructure for partnership, outreach, and donor development.

According to Gore, the Winston-Salem team's participation in the LBE network impacted BPI development in two ways. First, by creating a greater general familiarity with diversity issues among foundation staff and trustees, the LBE process helped establish a supportive environment for BPI. Second, the foundation benefited from conversations at the network level about donor diversity and its connection with community engagement, inclusive business practices, and staff diversity. The opportunity to build supportive relationships with leaders from other community foundations has been particularly helpful to Gore, who recently became the foundation's first African American Donor Development Associate.

#### **From Discrete Functional Areas to Holistic Organizational Needs**

As the foundation implemented the ECHO Fund and the Black Philanthropy Initiative—and as it moved through the LBE process—the need for deeper organizational work at the foundation level became apparent.

Within the Black Philanthropy Initiative, interviews with key African Americans revealed that potential donors wanted to see the African American community reflected more fully in the foundation's staff and board. They also wanted greater representation in the foundation's development and business practices. According to interviewees, hiring African American vendors and consultants would go a long way toward building the foundation's credibility in the community. Beyond this, as Lynch noted, the Winston-Salem Foundation could benefit from accountability measures that are more closely aligned to the development of a more diverse donor base:



*We have to gauge our success not by the number of new funds or the amount of new money brought in, but by our relationships and by our understanding of the African American community's methods of giving and potential new giving.*

The foundation also brought together community voices in a series of community listening sessions to help develop the ECHO Council concept. During these sessions, foundation leaders saw the power of multiple perspectives and what a difference they made as compared to holding dialogues in more homogeneous contexts. This led to questions about the diversity of decision makers within the foundation. As Gore explained:

*Much richer conversations happen when we have people of diverse backgrounds in the room. When the community listening sessions didn't have as much diversity, the group ended up with a more limited sense of how to solve community problems and a more myopic sense of what we should be doing. This extends to our organization as well.*

Beyond this, as Gore noted, the foundation's goal of increasing social capital in the community also raises the broader question of how much social capital —i.e., how much trust across groups, understanding, and cooperation—exists within the foundation itself.

#### **Looking Ahead**

To help address these concerns, Vice President Donna Rader, a longtime foundation staff member with a strong interest and background in diversity and equity issues, was brought onto the LBE team midway through the initiative. Rader, Gore and others believe that the internal capacity issues identified during work on the Black Philanthropy Initiative and the ECHO Fund present new opportunities for the foundation to look within itself for ways to better understand diversity, inclusion, and equity, and to incorporate these values into everyday decisions and practices. After working to improve effectiveness on key foundation projects, the LBE team feels it can now shift toward more intentional internal discussion. Drawing on the experiences of other LBE foundations and their own goals, the team is working to raise personal awareness among staff and board members, to diversify foundation operations in all departments, and to create an environment and a culture that reflect all segments of the Winston-Salem community. As Wierman explained:

*We entered this process to build on what we were already doing. But we have to hold a mirror up to ourselves too, to be sure we seek out the value in everybody. It's not as easy to reach a consensus when people are different, but you get a better product.*

The LBE team developed a diversity and inclusion values statement to support future staff and board development and activities. This values statement will be presented for trustee adoption at a strategic planning meeting in early 2004. In addition, Gore and Rader plan to work with foundation staff on understanding the cultural perspectives staff members bring to their work, seeing how such perspectives affect what they do, and considering how to make changes.

As the LBE project ends, team members look forward to widening and deepening their efforts and engaging additional staff and trustees. It is their hope that they can draw on what they have learned in partnership with other LBE foundations to maintain a commitment to diversity and equity at all organizational levels, and to delve more deeply into foundation practices in support of their ongoing community leadership goals, commitments, and efforts.

[37]

leading by example  
The Winston-Salem  
Foundation

## Inclusive and Equitable Donor Development Practices

*I believe there needs to be a strategy and a place at the table for everyone to be part of philanthropy. Most of the time, communities of color are seen as recipients of giving, but not as donors and leaders. I want people to see us as a resource—not just for grantmaking, but for giving as well.*

— Lisa McGill, *Former Program Officer and LBE Lead Staff*, The Community Foundation for Greater New Haven

*When you're more or less a White organization giving money to Black organizations, it creates a hierarchical power structure both organizationally and community-wide. Instead, if you also have a process in which African Americans are building philanthropic resources, the result is that the structure and process in which decisions are being made will become more democratic within the community.*

— James Gore, *Program Officer and LBE Lead Staff*, The Winston-Salem Foundation

Engaging the leadership and resources of communities of color in philanthropy is increasingly important to foundation leaders. Foundations may seek to bring donors of color to the table as a way to stay ahead of the curve as demographics shift within communities. They may also recognize that community well-being depends on all groups taking responsibility for developing a social contract that benefits everyone. Among all four foundations, it was understood that shifting priorities toward inclusion and equity requires a concerted effort to bring people of color and other marginalized groups to the foundation as donors and leaders—not simply as recipients of the foundation's funds.

LBE leaders pointed out that building partnerships with new and more diverse donors is particularly important to foundations that seek to play stronger leadership roles in their communities around matters of diversity and equity. They note that once consensus is reached inside a foundation to take a more catalytic role in fostering system-level change through grantmaking and community leadership, community foundations need viable strategies for building

the significant assets needed to launch and sustain their work. In building such assets, however, these foundations face a number of strategic and practical challenges.

First, community foundations typically build their resources by cultivating individual donor-advisors, who may or may not agree with the priorities set by a board and CEO engaged in ambitious change to redress community inequities. In some foundations, given the limited pool of unrestricted money, making a commitment to invest significant resources in a multiyear comprehensive change strategy calls for increasing efforts to educate existing donors and trustees, as well as cultivating new donors who might be inclined to support the foundation's equity and inclusion agenda.

Second, although recent studies in the *Chronicle of Philanthropy* show that people of color give higher percentages of their income and assets to their communities than do their White counterparts, communities of color tend to give in different ways and through different networks. Many community foundations are not yet set up to connect with or receive these communities' potential philanthropic resources.

Third, although wealth is accumulating in communities of color, due to longstanding economic inequities, there is less overall wealth in these communities than in White communities. Community foundation leaders are keenly aware of the tremendous opportunity presented by the impending intergenerational transfer of wealth that will occur primarily in White families. Foundations must assess time and resource priorities to determine how much effort to put toward pursuing beneficiaries of this transfer, who presumably will have more wealth, and how much to put toward building partnerships with donors with emerging wealth in communities of color—partnerships that may, in the short term at least, grow their assets somewhat more slowly. As Sernorma Mitchell, Milwaukee program officer and LBE participant queried:

*Is this foundation going to make decisions based only on money, or is it taking a larger community approach? And even in terms of money, we need to look not just one or two years ahead, but more like five to ten years down the line.*

Finally, the LBE foundations' donor development departments are being asked to attract more diverse donors while already stretched staff are contending with the effects of a sluggish economy and increased competition from major financial services players, who are offering clients simpler tax shelter opportunities through the creation of new philanthropic funds and products.

Despite these challenges, commitment to donor diversity remains strong in all four LBE foundations, and the two-year work of the LBE teams offers several critical insights for successfully attaining this diversity.

#### ■ Change the “culture” and attitudes within the foundation.

Diversifying the donor base is not just an issue of more effective outreach. It is also about creating a welcoming and representative foundation that people from all backgrounds and experiences trust, in which they see themselves reflected, and where they want to invest their money. During the course of the LBE initiative, The Community Foundation for Greater New Haven and The Winston-Salem Foundation conducted focus groups in their communities and found that community foundations are often viewed as inaccessible, predominantly White, and sometimes elitist institutions with little draw for potential donors of color and few connections to these potential donors' communities. There is work to be done, then, in both foundation culture and practice to change these perceptions and establish deeper credibility. This internal work often requires, at its heart, a change in attitudes. People of color must be viewed differently, not just as recipients of foundations' grant dollars, but also as philanthropists.

Beyond this, there is a need to think differently about perceptions and traditions of giving. Foundations that wish to increase donations by people of color must rethink their donor development practices, tools, and approaches. For example, awareness is growing in philanthropic circles that African Americans of all incomes have a strong tradition of giving through their churches. As East Bay Community Foundation President Mike Howe asked at a LBE network meeting:

*What, then, is the best role for a community foundation that believes in and honors the concept of community self-determination? Should the foundation engage in competition for donor dollars, or should the foundation seek to partner with and support and strengthen the*



*giving tradition of that community? Are we trying to capture more of the African American community's dollars, or are we trying to help the community grow its own forms of philanthropy?*

There are no easy answers to these questions, and the four LBE community foundations are using multiple strategies and paths to diversify their donor bases. The Winston-Salem Foundation and The Community Foundation for Greater New Haven have developed specific initiatives for communities of color as part of larger

community engagement strategies. For New Haven, these initiatives are also part of a deeper strategic effort to align and integrate all the foundation's work with its vision and values of philanthropic leadership. The Greater Milwaukee Foundation and the East Bay Community Foundation are working to increase their development departments' capacities to communicate with, attract, and build relationships with donors of color by analyzing and expanding existing mechanisms. Their goal is to create a single development process responsive to a wide range of communities.



*Nothing sends a signal more than racial diversity. Donors of color aren't going to come put their money here if they don't see staff who look like them.*

— Elaine Maly, *Women's Fund Director*, Greater Milwaukee Foundation

■ **Diversify donor services staff and build relationships and partnerships.**

As community foundations move their donor diversity work forward, they face practical, as well as philosophical, concerns. For example, while their program staff may be fairly diverse, the development staff may not be. Consequently, they may not yet have the relationships they need to tap the wealth that exists in communities of color. To help build these relationships, some LBE foundations are intentionally hiring, promoting, or utilizing the talents of staff of color for development efforts.

LBE participants recognized that, regardless of the ethnic makeup of their development staff, cultivating donors of color must begin with building relationships and partnerships, not with asking for money. A key success factor for diversifying a donor base is “walking the talk” of inclusion and equity in business practices and staffing across a foundation.



■ **Develop benchmarks and hold donor services accountable for diversity and inclusion.**

Regardless of the practical strategies chosen for donor diversity efforts, foundations must begin to consider diversity itself as a valued outcome by which success is measured. The degree to which development departments can actively prioritize diversity, inclusion, and equity is strongly affected by the measures of success on which they are regularly evaluated. The bottom line in most foundations is the rate at which they grow assets. Even in a foundation with a focus on inclusive asset development, devoting significant resources to the long process of relationship building in communities of color—a process that may or may not generate significant funds in the near term—can be a challenge if work is judged solely on the amount of money raised in a given year, rather than on the progress made in this area. If development departments are to feel they can legitimately channel their resources toward this work, a leadership strategy and commitment at both the senior management and trustee levels are required to track progress on donor diversity and equity *in their own rights*.



# The Community Foundation for Greater New Haven

## Realigning the Foundation to Mobilize Philanthropy

### LBE Team

William Ginsberg, *President*

Lisa McGill, *Former Program Officer and Lead Staff*

Sonia Caban, *Trustee*

Susan Whetstone, *Board Vice Chair*

*Some in the community foundation field would say that donors have the power because they give the money. But what is great to me about a community foundation is that the donors actually relinquish power, in full or in part, to this institution and its leaders. And so the ability or the possibility to change the power dynamic does exist—and is in fact embedded in our institution's charge. And I feel that the question really becomes, are we fulfilling that obligation to its fullest?*

— Susan Whetstone, *Board Vice Chair*

When Will Ginsberg assumed the presidency of The Community Foundation for Greater New Haven (CFGNH) in September 2000, the foundation was seeking to strengthen its role and impact as a leader in the region. In addition to developing strategies to better integrate the foundation's program, asset development, and community leadership efforts, a major goal in this work was to revitalize the foundation's connections with its diverse and demographically changing community. In pursuit of these objectives, the foundation's staff and trustees engaged in a strategic planning process that dovetailed with their LBE efforts over the same period. As this work moves from assessment and planning to implementation, Ginsberg's sense is that the foundation's involvement in the LBE initiative has been invaluable in efforts to build an organizational consensus for the foundation's new leadership role in "mobilizing philanthropy" around the critical needs of New Haven's changing community.

Historically, the Greater New Haven community has been largely White, with an approximately 10% African American population. In recent years, the Hispanic/Latino population has nearly doubled to around 10%, and the small Asian/Pacific Islander community has grown as well. Shifts within the city of New Haven have been even more dramatic and have had a deep impact on race relations. Over the past three decades, the racial balance in New Haven has reversed—in 1970, the city had a 68% White majority population. Now, 64% of its residents are non-White. The LBE team of Ginsberg, Program Officer Lisa McGill, Trustee Sonia Caban, and Trustee Susan Whetstone (who replaced Caban midway through this effort) brought attention to these demographics, as well as to internal diversity and inclusion dynamics, during the foundation's strategic planning process. Drawing on LBE resources, including examples and stories of work in other foundations, guidelines for data collection and analysis, and tools for discussion, LBE leaders encouraged others in the foundation to look for ways to ensure that their new vision for community revitalization included all ethnic groups, created meaningful connections between donors and nonprofit grantees, and benefited those in greatest need.

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According to Ginsberg, adopting the concept of mobilizing philanthropy signals a fundamental shift in the 75-year-old foundation's role in the community. Along with his senior managers, Ginsberg is providing the leadership and support required to move the foundation from the role of "a programmatic grantmaker and the community's endowment" to an agent for change. Ginsberg and others on the LBE team point out that their success is dependent on making important changes in the foundation's operational culture and practice. A key component of this internal change work involves more closely integrating the organization's program and development work and finding ways to marshal the foundation's leadership resources—program, development, and convening—around high-stakes community concerns. By doing this, the foundation seeks to inspire new regional engagement and increase the flow of funding toward addressing priority local issues.

An important step in this direction has been the creation of the Communities of Color Initiative, which draws on earlier foundation interest in donor diversity and outreach and intentionally uses a multifaceted and long-term strategy to develop new partnerships with communities and potential donors of color. A second and equally important strategic investment has been the foundation's commitment of leadership and resources to building staff and trustee capacity around diversity, inclusion, and equity. Approaches to and highlights of both of these efforts follow.

#### **The Communities of Color Initiative**

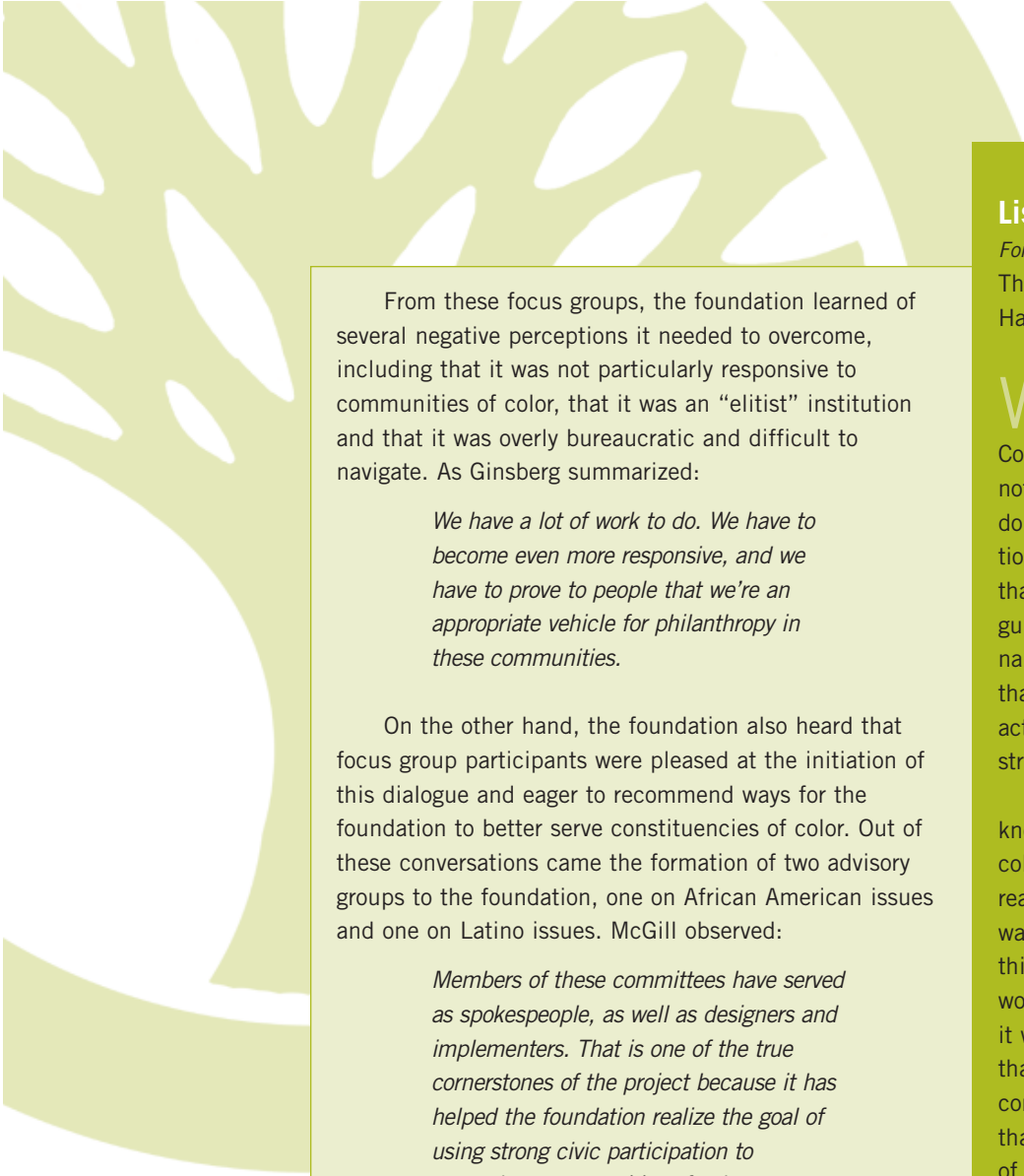
Drawing on the leadership and resources of several foundation departments and in keeping with the foundation's new strategic direction, the Communities of Color Initiative has four interrelated objectives:

- to improve awareness of philanthropic opportunities for communities of color in Greater New Haven and the Lower Naugatuck Valley;
- to provide continuous learning opportunities on high-priority issues disproportionately impacting communities of color;
- to build the capacity of area nonprofits that are led by individuals from traditionally underrepresented communities and that serve communities of color; and
- to increase the foundation's capacity to meet the charitable giving needs of African American, Latino, and Asian American donors at the foundation, while increasing charitable giving to nonprofits and civic groups led by people of color in the region as a whole.

In its initial implementation phase, the initiative is focusing on the African American and Latino communities.

#### **Data Gathering: Community Focus Groups**

Planning for the Communities of Color Initiative began with intensive data collection organized by a staff team that included representation from the development, program, communication, and administration departments. In September 2002, the team organized a series of eight focus groups with nonprofit, political, business, religious, and professional leaders in the African American and Latino communities. The groups were ethnically based and designed to solicit information about the foundation's image in the eyes of these communities, about what their priority issues were, and about how the foundation might best help mobilize their philanthropic giving. To encourage honest responses, the groups were led by facilitators from outside the foundation who were of the same ethnic backgrounds as the participants. Data were reported in aggregate form only.



From these focus groups, the foundation learned of several negative perceptions it needed to overcome, including that it was not particularly responsive to communities of color, that it was an “elitist” institution and that it was overly bureaucratic and difficult to navigate. As Ginsberg summarized:

*We have a lot of work to do. We have to become even more responsive, and we have to prove to people that we're an appropriate vehicle for philanthropy in these communities.*

On the other hand, the foundation also heard that focus group participants were pleased at the initiation of this dialogue and eager to recommend ways for the foundation to better serve constituencies of color. Out of these conversations came the formation of two advisory groups to the foundation, one on African American issues and one on Latino issues. McGill observed:

*Members of these committees have served as spokespeople, as well as designers and implementers. That is one of the true cornerstones of the project because it has helped the foundation realize the goal of using strong civic participation to strengthen communities of color.*

The foundation, with the help of the advisory committees, drew on the data from the focus groups to inform the collective planning needed to design and develop the initiative's key components and activities.

#### **Early Steps and Outcomes**

As of early 2004, the following components have been launched:

- A public awareness campaign highlighting traditions of giving in communities of color and promoting additional giving in these communities. Giving is encouraged both through gifts to the foundation and through other philanthropic channels.
- A nonprofit capacity-building program targeting African American- and Latino-led organizations for support, technical

#### **Lisa D. McGill, Ph.D.**

*Former Program Officer*

The Community Foundation for Greater New Haven

What people warned me would be our biggest challenge when starting the Communities of Color Initiative actually did not hold true. I was told that people of color do not give, that there is no market penetration for donors of color in Greater New Haven, that no one would be interested. It took some gumption—and what some folk saw as my naiveté—to really march forward and believe that not only did we give, but that we were actually looking for the best and most strategic ways of doing so.

Although Greater New Haven is not known for its wealth in communities of color, it is a place where people of color are really engaged in their communities. So it was a perfect place for getting people to think about strategic giving. As I began to work on the Communities of Color Initiative, it was simply a matter of convincing people that what they were already doing in the community made them philanthropists, and that philanthropy was not the exclusive right of the White elite. Giving back was not unfamiliar to Greater New Haven's communities of color. I do not think that I met one person of color while working on the initiative who didn't give back to his/her community in some way. In so many ways, it was heartening to see how people were already philanthropists without even claiming to be—they gave to their churches, to those struck by homelessness in downtown New Haven, and to their local charities in need. Everyone—from the woman who worked two jobs to support her children to the recent college graduate who was out on his own for the first time—could engage in building community through sharing his or her time, talents, and treasure with others.

One of the highlights of my professional career was watching leaders begin to claim the initiative as their own. The more they got involved in it, the more they began to con-



template the true impact they could have by pooling their collective resources.

The biggest challenge, then, was not getting people interested in charitable giving, it was getting people of color to see The Community Foundation for Greater New Haven as their foundation. People were very clear with me—whether I was visiting a group of businessmen or talking to folk from the church community—that the foundation needed to build trust with them and that it was hard to build that trust with initial conversations focused on being a donor to the foundation. I think that one of the gems of the initiative's design was that it was respectful of how people felt about us, and that it was not just about donor development for the foundation. We wanted to mobilize philanthropy in the region—not just develop donors for the foundation. If we just built awareness around giving, and people chose to give directly to their own charities of interest, we had accomplished one of our goals. If we were able to build the capacities of nonprofits through the initiative, we had reached another goal. That holistic view of our purpose provided an anchor of strength as we waded through negotiating past hurts and distrust, and worked toward forging new and sustainable partnerships with communities of color.

Not so surprisingly, as we talked with people about mobilizing philanthropy in our region, some of them were interested in doing so through the foundation. As we began to share our resources on multicultural philanthropy, people began to see us as having a true desire to help them meet their charitable giving needs. The process took time, though; it takes time and is never ending. We are far from seeing all of the benefits of this type of initiative. But each day, we take one step closer to actively valuing communities of color in our day-to-day business. ■

assistance, and matching funds. LBE leaders are particularly proud of their work to form the Alliance for African American Nonprofit Executives (AANE) and their grantmaking support of eight nonprofit organizations that are receiving technical assistance from Hispanics in Philanthropy (HIP).

- The 2004 New England Conference on Black Philanthropy to educate donors, grantmakers, foundation executives, and other community stakeholders about the impact philanthropy can have in Black communities. The foundation will serve as the managing convener of this regional conference in June 2004, in collaboration with other area funders and the National Center on Black Philanthropy, Inc.
- A lecture series for those interested in learning more about the power of philanthropy in communities of color. Launched in October 2003, the series has thus far included successful events featuring an inaugural address by Ambassador James Joseph, the former U.S. ambassador to South Africa, and a discussion with Steve Minter, the former CEO of the Cleveland Foundation. Dr. Robert Franklin is scheduled to speak in March 2004.
- A Communities of Color Umbrella Fund, with gift matching for individual donations. To date, the foundation has affiliated with and provided incentives to the Cornell Scott Scholarship Fund and the MAAFA Community Development Fund and has agreed to provide a challenge grant to the Gerald S. Clark Legacy Fund. The Advisory Committee on African American Issues is currently working to establish an endowment fund in association with the initiative.

According to both Ginsberg and McGill, the Communities of Color Initiative was designed with a long timeline in mind. What is important at this stage, they note, is developing meaningful relationships with New Haven's African American and Latino communities and creating the space for collaborative agendas to arise. As Ginsberg explains, "This takes time, and it's an organic process. Being a community foundation gives us a way to build something of value."

The foundation plans to make a long-term financial commitment to the Communities of Color Initiative, one critical to the development and successful sustainability of the project. However, according to the LBE team, in the long term, funding is only one of the organizational commitments needed for this work to fulfill its promise. The initiative's success will also require greater staff understanding and support, and will require attention to staffing patterns, development priorities, finance and business operations, and board composition, all of which impact the way the foundation is perceived by communities of color. Given the impetus for shifting the whole foundation's strategic approach to philanthropic leadership, these concerns go well beyond the Communities of Color Initiative's work, affecting a wide variety of foundation dynamics and functional areas.



### **Building Organization-Wide Capacity**

In addition to solidifying support for shifting the foundation's strategic approach toward mobilizing philanthropy, through collective efforts, LBE leaders are building a greater consensus within the foundation about the need to tend to high-stakes diversity and inclusion issues if the foundation is to succeed in its new catalytic leadership role. As this effort continues, through historical journey mapping, data collection, and discussions with their colleagues, the LBE leaders have helped others appreciate the progress their organization has already made to strengthen internal diversity and inclusion policy and practices.

For example, the foundation had previously adopted a diversity policy. And the composition of the staff, including senior and midlevel managers, is now more diverse than it once was, when few, if any, women and people of color were working at the foundation. At the same time, LBE leaders point out that if the foundation is to be successful in its newly invigorated community leadership role, staff and trustees will need to deepen their capacities to understand and harness the region's diversity. To this end, the LBE team has developed a strategy to provide intensive training and coaching to staff and trustees over a 16 month period.

### **Internal Training and Coaching**

Internal training and coaching support is being provided by Maxine Fuller and Tom Finn of the McKinley Group, an

Atlanta-based consulting firm assisting with organizational development, diversity management, and multicultural collaboration. This diversity effort is not an isolated training, but is instead integrated into all aspects of the foundation's strategic development. Ginsberg has positioned the work as a key aspect of New Haven's new strategic direction, and the trustees have approved a budget that includes a significant commitment of financial and human resources. Building on LBE initiative efforts and resources, the McKinley Group's work is intended to broaden the foundation's efforts on diversity and inclusion to include staff and trustees beyond the initial LBE team.

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To ensure this effort succeeds in harnessing the knowledge and skills that are gained, the 16 month capacity-building effort includes the following:

- Focus group conversations with foundation executives, middle managers, and support staff to surface key diversity and inclusion issues, concerns, and challenges—both in the community and within the foundation. The data collected and concerns raised are being used to inform the content of all training and coaching provided.
- Two all day diversity awareness workshops conducted in the fall of 2003 helped staff, managers, and executives better understand the community's changing demographics; the cultural backgrounds of colleagues; each individual's personal assumptions and perceptions and how they affect individual, group, and team relationships at the foundation; and the objectives of the diversity initiative and its relationship to overall institutional goals.
- An additional all-day staff training on diversity to be held in 2004.
- One half-day diversity dialogue as part of the November 2003 board retreat. A follow-up presentation will be given in 2004 to update the board on the progress made at all levels of this effort.
- Opportunities for any staff member to receive face-to-face, telephone, or electronic coaching on these topics.

Having completed the focus groups and initiated the training, the McKinley Group and the LBE leaders are pleased to see how staff and trustees are responding to this opportunity. Although diversity-training efforts by design tend to surface numerous challenges, according to those involved, the sessions have deeply engaged the foundation and are helping staff and trustees better understand and address complex and critical issues. Ginsberg and others are convinced that this work will be instrumental in leveraging the foundation's own diversity to build a more welcoming work environment and to strengthen the knowledge and skills the foundation needs to play a stronger leadership role in New Haven.

### Looking Ahead

*Internally, the goal is for diversity and equity to become totally institutionalized, so we think about them in every decision. Externally, it's for the community foundation to be seen as part of the community, connected to the community—not as the “foundation on the hill.”*

— Lisa McGill, Former Program Officer

As is the case in the other foundations, New Haven's efforts to embed its diversity and inclusion ideals and intentions in the everyday workings of the foundation are just now taking a stronger hold. The LBE leaders' efforts to support the work of redefining the foundation's role as a philanthropic leader have created new opportunities to strengthen the organization's overall diversity and inclusion practices. The McKinley Group's training and coaching effort is being well received and, according to McGill, even in its early stages has begun surfacing many complex personal, interpersonal, and global





issues. Meanwhile, all who are part of the Communities of Color Initiative process agree that the effort is based on thorough and thoughtful groundwork, that it is generating community enthusiasm, and that it is gaining momentum.

The LBE leaders are hopeful that both of these important efforts will continue to draw greater attention to diversity across the foundation and in the Greater New Haven area. As Trustee Susan Whetstone put it:

*There is a real value for people in the leadership of community foundations to think deeply about these issues. We think a lot about finance and investments in our meetings. We need to think about diversity just as much. We can't afford to just do this work for a year. In the end, maybe it is about the trustees, CEO, and staff finding ways to put these issues on everyone's agenda in an ongoing process that sets a value on diversity.*



Photo: Mona Shah





## **Inclusive and Equitable Business Practices**

In addition to addressing equity and inclusion in foundations' grantmaking and donor development work, LBE leaders agreed that strengthening relationships and trust in their increasingly diverse communities requires setting an example of inclusion in their own everyday business decisions.

Decisions about internal operations—how hiring is done, who manages the foundation's assets, what vendors and consultants the foundation uses, or how the organization's image will be projected to the public—can profoundly impact the foundation's credibility and relationships with diverse constituencies. In addition, within the foundation itself, addressing equity and inclusion in business and management practices may help create a more welcoming and responsive internal culture capable of benefiting more fully from the multiple perspectives and strengths of staff and organizational leaders.

Some LBE teams sought to create more inclusive practices through focused assessment and planning in specific areas. Leaders at the East Bay Community Foundation (EBCF), for example, developed a set of questions (see sidebar) for use by staff and trustees.

Other activities LBE foundations are undertaking to foster inclusion in their business practices include:

- developing new criteria for hiring staff (or selecting new trustees) that include an assessment of prospective candidates' knowledge, experience, and relationships;

## **LBE Internal Review Questions East Bay Community Foundation (EBCF)**

### **Personnel & Administration Committee**

Does the foundation's staff include individuals with the knowledge, experience, and relationships needed to effectively address the diversity, inclusion, and equity issues EBCF considers most relevant to its mission and the role it plays as a leader in this work?

Does our current recruitment and selection process for hiring new staff include a way for EBCF to determine the candidate's experience and knowledge related to the key diversity, inclusion, and equity issues the foundation encounters in its work?

Does EBCF have in place the resources and support needed to build the capacity of staff and trustees to respond to diversity, inclusion, and equity issues the foundation is dealing with through its various internal and external efforts?

### **Finance Department & Committee**

Do EBCF's current business practices deepen or ameliorate many of the economic equity issues the foundation is most concerned about in this region?

Do the foundation's investment and purchasing practices seek to address these economic concerns? For example, do we track and set inclusive goals and objectives for the use of vendors (e.g., for catering, event planning, consultants, legal and financial advisors, etc.)?

Does the foundation currently have in place an investment policy or statement that clearly outlines the manner in which diversity and equity issues are dealt with in our own financial management and investment practices?

### **Marketing & Visibility Committee**

Do the language and look of our publications and our website send a message of inclusiveness to the various community groups and sectors with which we're seeking to build stronger relationships?

Do EBCF's current communications mechanisms (and materials) clearly articulate the foundation's values, principles, and intentions regarding diversity, inclusion, and equity?

Do we find ways to highlight diversity and equity issues that are of community importance through our various communications mechanisms? And do we intentionally highlight the work of civic, community, and business organizations that are engaged in these issues?

- including a review of foundations' inclusion and equity values, policies, practices, and resources in the orientation for new staff and trustees;
- developing new diversity and equity criteria for selecting banks and financial advisors;
- creating directories of minority vendors or encouraging the use of existing minority vendor directories;
- incorporating more diverse images and styles in foundation publications and outreach materials; and

- developing strategies to build stronger relationships with ethnic press and electronic media, including commitments to increase story placement and advertising purchases with these media organizations.

Finally, the LBE foundation CEOs recognized the importance of folding inclusion and equity goals into their staffs' regular work assignments and workplans. In two of the foundations, yearly staff and manager performance reviews will monitor the quality of that work.



# East Bay Community Foundation

## Embedding Diversity and Inclusion Throughout the Foundation

### LBE Team:

Mike Howe, *President*

Diane Sanchez, *Program Officer and LBE Lead Staff*

Helen Troxel, *Board Chair*

*What we're trying to do is to embed this so that equity and inclusion efforts don't have to be talked about separately, so that they don't have to have a separate committee, so that they're part of everybody's work. We're trying to put things in place so equity and inclusion are core competencies. When you go to work for a company in customer service, for example, they train you to their method. They don't ask you what your religion is or who you like and don't like. They tell you what it means to give good service, and that's what you're supposed to do. That's what we're trying to do here. It isn't necessarily about how you feel, and it isn't about are you a liberal or a conservative. It's simply—at this foundation, these are our goals, this is what we stand for, this is the way we do things.*

— Diane Sanchez, *Program Officer and LBE Lead Staff*

The East Bay Community Foundation, based in Oakland, California, serves a region of extraordinary diversity. With nearly 500 funds and \$160 million in assets, the foundation has long worked to honor the San Francisco Bay Area's varied ethnicities, genders, classes, and sexual orientations, and to address its wide-ranging disparities and needs. It has done so through the recruitment of diverse staff and board members, the integration of multiple perspectives, and the targeting of grants to underserved communities.


When the foundation joined the LBE initiative, it marked a new and even deeper level of engagement with equity and inclusion issues as the foundation sought to formalize and institutionalize these ongoing efforts. Over the past two years, President Mike Howe, Board Chair Helen Troxel, and Program Officer Diane Sanchez have led the foundation in a comprehensive and dynamic process of dialogue, organizational assessment, and strategic alignment around diversity, inclusion, and equity. From the very beginning, they knew this work would need to involve everyone in the organization and would affect operations from top to bottom. Accordingly, they have actively drawn upon the personal commitments and journeys of people across the foundation to strengthen existing strategies and develop new ones—all in the service of building greater capacity to sustain the East Bay community in changing times. California Tomorrow provided ongoing consultation and coaching support throughout this process.

### A Multilevel Structure for 100% Engagement

Coming out of the first LBE network meeting, Howe, Troxel, and Sanchez created a three-tiered structure to engage a wide range of staff and trustees and to move equity and inclusion issues through all aspects of their organization.

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The foundation's representatives at national LBE meetings—the “away team”—made up the first tier. While these team members maintained overall leadership of the East Bay Community Foundation's diversity and equity work, they did not see their role as that of a three-person “think tank” that would plan and implement organizational changes on its own. Rather, they saw their charge as creating mechanisms for the foundation as a whole to discuss diversity, inclusion, and equity, to define how they wanted to address these issues—internally and externally—and to set goals for change.

For the second tier, the foundation created a wider core committee. This “home team” was comprised of five trustees and five staff from across the foundation. Members of the home team were asked to commit to:

- meeting regularly with the away team;
- attending a one-day orientation;
- helping develop the foundation's LBE workplan;
- helping assess the organization's practices around diversity, inclusion, and equity;
- drawing together and reviewing best practices in these areas from other foundations;
- taking leadership on implementing LBE activities;
- honoring multiple perspectives in their work together; and
- engaging in personal reflection and growth toward the goal of supporting organizational change.

For a year and a half, the home and away teams kept LBE concerns on both staff and board agendas. They provided resources for individual staff and trustee learning; encouraged and initiated dialogue; designed a review process for all foundation departments and board committees to evaluate their diversity, inclusion, and equity work; set up an internal equity and diversity library that included more than forty fiction and nonfiction books; and created a monthly lunch forum for staff who wanted to probe more deeply into LBE-related issues. Board Chair Helen Troxel explains this responsibility and engagement:

## Mike Howe

*President*

East Bay Community Foundation

As a person who has struggled with understanding the issues of diversity, equity, and inclusion since I was a young man, the Leading by Example experience has proven to be both enlightening and personally humbling. Enlightening, as this was the first time that I have really seen substantive change occur within an institutional environment around these issues; humbling, as I realize that the change—though difficult—is nowhere near as hard as keeping the doors shut to these discussions and their resulting impacts.

From the outset, the Leading by Example program challenged me along with my colleagues at the East Bay Community Foundation. The challenge was not just to discuss the issues of diversity, equity, and inclusion, but to commit ourselves to changing the ways in which we look at, explain, and alter our behaviors around these issues.

When we started the work, we did not know how hard it would be. Early on, it became clear that people look at race differently. This resulted in misunderstandings, conflict, and antagonisms. People did not easily move beyond the fact of our different perspectives, and the issue of race became a lightning rod for many personal issues. Organizationally, this became a major obstacle to really digging into the issue of race both institutionally and personally.

As a result, we committed ourselves to a personal as well as organizational engagement with race and other diversity and equity concerns. In retrospect, this was exactly the right thing to do. The personal work allowed folks to discuss the issue of race within small groups—typically with three to seven people in each group. We tried to make sure that each group had a mix of trustees and staff—both professional and support staff. We also tried to create



groups that were diverse in terms of age, racial background, and sexual orientation. This diversity helped us raise and resolve issues through an elegant process of questioning and listening. We all learned from each other, and we saw how difficult it would be to make changes organizationally unless we developed these listening and understanding skills. The result was that as we moved forward, each of us learned to discuss hard issues. Some struggles that were immediately apparent at the organizational level were solved at the personal level, not easily, but nonetheless solved. All this is not to say that our discussions have been easy; they have not. However, we had in place a methodology that allowed us to deal with issues in a fashion that didn't leave a whole host of concerns unresolved.

So, how has this process changed me and the foundation? Peggy McIntosh, in her article, "White Privilege: Unpacking the Invisible Knapsack," lays out the classic notion that Whites are "carefully taught not to recognize White privilege." In all of my years, I have discussed and taught this idea, but I had not really confronted it for myself—a White guy who has been surrounded by White privileges all of his life. The fact is that I have had to confront this notion personally through the LBE process. The result was both revealing to me personally and very difficult to integrate into my day-to-day relationships with my colleagues. However, once the genie was out of the bottle, it was impossible to put it back. I am much more circumspect about my approach to many activities and issues that before I would have done without a second thought. Virtually all of my



*My role on the away team, and as chairperson of the board during these past two years, has been very important in pushing the diversity agenda forward. As chair, I was in a position to address the issue in a major way, talking with other board members, encouraging committees to place the issue on their agendas and to set goals, encouraging the reading of books on diversity, and working on an individual basis with those who seemed less enthusiastic.*

The third tier in the LBE structure involved all remaining staff and board members. These constituencies were involved in reflection, dialogue, and planning through participation in an introductory staff-board retreat on the LBE initiative; sharing their hopes and concerns about diversity/equity priorities in an anonymous survey; voluntary participation in learning sessions on the emotional dynamics of diversity work; participation (staff only) in monthly lunch forum conversations; and participation in the development of department and committee workplans for more inclusive and equitable practices.


An internal LBE website provided everyone in the foundation with access to key initiative documents, workplans, and updates, and sought to make the organizational development and change process as transparent as possible.

#### **Personal Learning and Dialogue**

Personal learning for trustees and staff was core to the work at all three levels of involvement. It was a key part of supporting individuals' abilities to participate in the emotional aspects of organizational change, and it was important in developing people's professional competence on diversity and equity issues in both intellectual and practical terms. For both of these reasons, personal learning formed an indispensable thread that wove through all dimensions of the foundation's LBE efforts. As Mike Howe, the foundation's president noted:

*This is a process of inquiry and action that, by its very nature and by the unresolved history of this country on issues of race, gender, sexual orientation, and ethnicity, can make everyone defensive and uncomfortable at some point. But we can't let this discomfort drive us away from the work that must be done. People here are making a commitment not just to talk*





*about change, but also to engage in that change themselves. And that's heady stuff. I mean, you're talking about both organizational change and individual, personal change, which is pretty deep. And I truly believe that as we move this agenda forward, the fact that we were able to bear witness to these emotions, that we remained open to understanding that this work was going to take a long time, and that we made a real effort to allow for the personal, interpersonal, and organizational explorations was essential.*

East Bay's core team used several strategies to support reflection and growth. The sharing of personal experiences was encouraged in small learning seminars facilitated by California Tomorrow consultant Ed Porter on Daniel Goleman's concept of "emotional intelligence" and the emotional aspects of diversity and equity work. Although these seminars were voluntary, more than 90% of staff and trustees attended.

In addition, the LBE lending library offered stories and information about many different cultures, the history of structural inequality and discrimination, and the impact of diversity on philanthropy. The team gave one particular book from the library—*Searching for the Uncommon Common Ground: New Dimensions on Race in America*, by Angela Glover-Blackwell, Stewart Kwoh, and Manuel Pastor—to all staff and trustees, and set up a series of brown bag lunches to discuss it. This book, and the conversations about it, surfaced many key issues facing the foundation as it sought to play a stronger role in addressing equity in the region.

Finally, home team conversations often raised important, and sometimes difficult or even painful, insights and discussions. This was both challenging and inspiring. As one trustee, who was a member of the home team, explained:

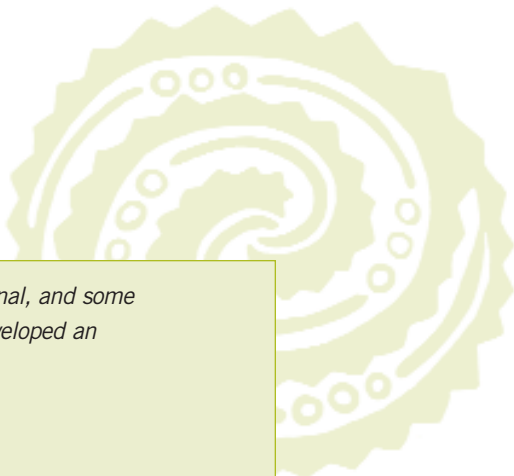
*Being on the home team was, for me, a very important personal learning process. As part of our work, we talked together about our experiences with racial issues. This was a very intense process for the ten*

interactions with my colleagues, family, and community are now filtered through the lens of several questions: "Are my actions based upon an assumption of privilege? Is there an invisible package of unearned assets that I and others are using? Am I ignoring an issue because it is easy and others will let it pass?"

I have also seen my colleagues begin to integrate these questions into their day-to-day thinking and actions. The realization that change is possible, manageable, and good for our working environment has begun to shift the organization in such a fundamental way that I, along with foundation staff and trustees, will never be able to go back to working in the cocoon that protected us and immediately disadvantaged others. Does this mean that we have corrected all of the race, equity, and inclusion issues at the foundation? Certainly not. But it does provide incontrovertible evidence that organizational change does occur when individuals commit to changing themselves.

Probably the most important lesson so far is that it is far easier to speak of change than it is to change. However, once change begins, it becomes easier to envision and to take the next steps. ■





*of us, partly because we all come from different backgrounds. It was emotional, and some people felt they were taking big risks in doing it. But as a group, we also developed an unusually high level of trust and sense of shared commitment.*

### **Embedding Inclusion and Equity in Foundation Culture and Practice**

In addition to supporting personal and collective reflection, East Bay's LBE team had all staff departments and board committees generate ideas and develop plans for applying inclusion and equity principles in their own work. These plans have been implemented in a variety of areas. For example:

- Equity and inclusion principles have been included in the foundation's strategic plan and in its conversations about "branding."
- The Community Investment Department aligned grantmaking guidelines into new focus areas, which drew on LBE values and explicitly emphasized service to the underserved; support for ethnic, immigrant, and sexual minority populations; community building; and social justice. Program officers also became more systematic in collecting and aggregating diversity data from grantee organizations.
- In developing a new banking relationship, the Finance Team had all the banks present specific information on their equity and inclusion practices. This information included Community Reinvestment Act audits and other aspects of the way the banks conduct business and weighed heavily in the team's final choice.
- On the board development committee, questions of diversity have become a regular and important part of trustee selection, and issues around equity and inclusion are now included in the foundation's board orientation and training.

To support this new level of equity and inclusion work across the foundation, East Bay's LBE committee wrote a strong and comprehensive values statement, which it plans to advance to the board in May 2004. This statement affirms the foundation's commitment to "being both a leader and a catalyst in promoting equity and inclusion throughout the diverse region we serve" and will be used to guide the ongoing planning, embedding, and evaluation of organizational efforts on these issues.

### **The Road Ahead**

*The LBE project has made a major impact on the East Bay Community Foundation's organizational structure and employee-trustee attitudes toward addressing diversity within the organization. In a state such as California, where there is no clear ethnic majority, where Hispanics, Asians, Blacks, and other minorities make up two-thirds of the state's population, it is clear that major changes must be made in the governance and functioning of our institutions if they are to effectively serve the majority of Californians in the future. Today, as a result of our LBE work over the past two years, more than a third of our board are people of color, strategic plans from each of our committees are based on diversity practices, and every employee and trustee in the foundation has had some form of diversity training. And we're still doing more.*

— Helen Troxel, Board Chair

After 20 months of intensive effort, the East Bay Community Foundation now has a strong majority of trustees and staff who are committed to equity and inclusion work, who are knowledgeable about what that entails, who are engaged with each other in dialogue about their own backgrounds and experiences, and who are making both small and substantial changes in the spheres they touch, including finance, communications, grantmaking, development, outreach, and recruitment. This breadth of involvement, the level of engagement across all three tiers of the foundation's LBE structure, and the momentum toward embedding equity and inclusion in the foundation's work are among the organization's greatest achievements to date, according to Howe, Troxel, and Sanchez. By building collective trust, drawing together insights, and facilitating a wide variety of initial practical changes, East Bay's home and away teams have already supported significant growth in the foundation's work. At the same time, they have set up an ongoing, long-term process for continued institutionalization of the foundation's widespread equity and inclusion values.

Under the leadership of new Board Chair Jim Hill, the foundation is currently moving forward with another round of foundation-wide dialogue and planning, looking at the extent to which inclusion and equity are embedded in the organization's culture as well as its practices. As part of this work, some members of East Bay's LBE planning committee will form an ongoing work committee, charged with developing specific benchmarks and indicators for success on addressing diversity, inclusion, and equity in key departmental areas and the foundation as a whole. California Tomorrow is supporting this work with technical assistance.



Photo: Mona Shah

## CONCLUSION

The LBE initiative was a rich meeting of mind and heart, vision and practicality, that supported each participating foundation in deepening, focusing, and accelerating its journey along the path to inclusion and equity. As summarized by New Haven Trustee Susan Whetstone:

*Leading by example means putting a value on diversity over and above other things. It means taking on the hard challenges, dealing with diversity everywhere and all of the time, not just when it gets in your way.*

The Leading by Example initiative was a short and intense process—a springboard to propel progress toward values and goals deeply meaningful to foundation teams. Building from existing convictions, initiatives, and ideals, the LBE initiative provided important mechanisms that enabled forward-looking organizational leaders to pursue a path they were committed to following and to take steps they might not otherwise have taken. According to participants, it helped enormously to have a network, a structure, a defined period of commitment, and technical assistance and support.

*We wouldn't have gotten into this diversity work as much if not for the LBE network. It's given us inspiration, ways to think about what we're doing, a way to step back and strategize. It was also helpful to hear what other foundations are doing and to get their feedback.*

—Jim Marks, Vice President/Director of Grant Programs, Greater Milwaukee Foundation

*The most valuable thing about the LBE process was the opportunity for dialogue and interface. I have learned so much from*

*listening to other colleagues—both CEOs and other staff—in sister community foundations. It has been an immeasurable support for what we are trying to do here.*

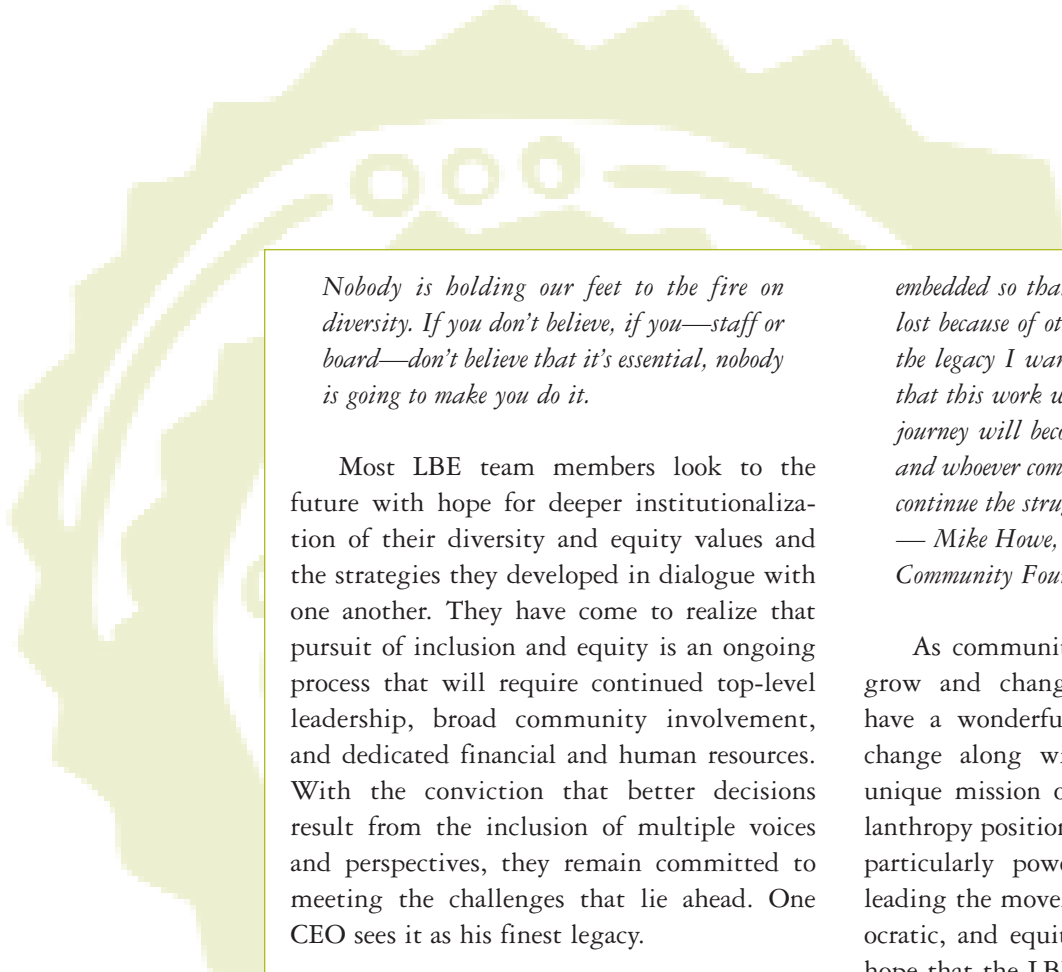
—Will Ginsberg, President,  
The Community Foundation for Greater New Haven

After 20 months and some notable accomplishments, the change process remains a work in progress. As the LBE initiative ends, keeping this work alive will be a matter of maintaining vision, sustaining the mechanisms that keep it moving, and providing the leadership and support needed to enact real changes over the long haul. Diane Sanchez, program officer at the East Bay Community Foundation, explains:

*From the very beginning, I didn't think that at the end of 20 months we'd be able to say to the field—here is what you need to do, here is what works. This is a long-term process. We can share what we did. We can share our challenges. But this is not a time-limited initiative that goes away. We knew we'd have to commit to continuing what we've learned and developed here, and build on it as we move forward. It is a journey without end.*

Fundamentally, though, changes will occur because of the personal commitments of community foundation CEOs, trustees, and staff who understand that their mission requires deeper responsiveness to inclusion and equity. As Doug Jansson of the Greater Milwaukee Foundation notes:

*CEOs have to make this important. How do you measure organizational effectiveness when it comes to diversity? How does it add value for your organization? At the end of the day, that's where it is going to have to happen.*



*Nobody is holding our feet to the fire on diversity. If you don't believe, if you—staff or board—don't believe that it's essential, nobody is going to make you do it.*

Most LBE team members look to the future with hope for deeper institutionalization of their diversity and equity values and the strategies they developed in dialogue with one another. They have come to realize that pursuit of inclusion and equity is an ongoing process that will require continued top-level leadership, broad community involvement, and dedicated financial and human resources. With the conviction that better decisions result from the inclusion of multiple voices and perspectives, they remain committed to meeting the challenges that lie ahead. One CEO sees it as his finest legacy.

*I see this work as ongoing work, and I suspect it'll continue to be ongoing far after I've left here. My goal is to have it sufficiently*

*embedded so that when I leave, it doesn't get lost because of other priorities. This is part of the legacy I want to leave. The legacy is not that this work will be completed, but that the journey will become part of the organization, and whoever comes next will want and need to continue the struggle.*

— Mike Howe, President, East Bay Community Foundation

As communities across the United States grow and change, community foundations have a wonderful opportunity to grow and change along with them. Their focus and unique mission of place-based, engaged philanthropy positions these foundations to play a particularly powerful role in fostering and leading the movement toward inclusive, democratic, and equitable communities. It is our hope that the LBE initiative provides inspiration, models, and tools for other philanthropic institutions as they too reach toward this important and urgent societal goal.

## Afterword: Coalition of Community Foundations for Youth

Disparate treatment, disparate opportunities, and disparate outcomes on the basis of race are persistent features of life in this country. These realities are at odds with an equally tenacious belief in America as the land of opportunity. Our culture exalts the individual and reveres the rugged individualist. The Horatio Alger ideal is part of the American lexicon. This belief in the ability to advance, free of constraints, simply on the basis of individual initiative and enterprise, is so deeply ingrained that we have named it the “American dream.” Not surprisingly, it is reflected in public and private policies and practices, as well as in attitudes and beliefs.

Most of us, however, are the products of our upbringing. Our sons are, as my husband often reminds them, members of the “lucky gene club,” the offspring of graduate-degreed parents who themselves are the product of several generations of WASP middle-class beneficence. What a gentle launch and well-cushioned ride we and they have enjoyed. In short, we are not Horatio Alger material and remain ever mindful of the advantages that have accrued to us by happy accident.

These observations drawn from personal experience have been included because, as participants in the Leading by Example learning network discovered, the personal bubbles to the surface with great regularity when the conversation implicates both our individual and national identities. It became clear, both during network meetings and as participants broadened the conversation within their respective foundations, that on issues of race, inclusion, and equity, the institutional cannot be addressed without attending to the personal. This may explain, in part, why progress on race—or any other arbitrary basis of discrimination—is so difficult. Considerable quantities of time and emotional energy are required to sort through beliefs ranging from “America, the land of opportunity” to “America, the land of institutionalized inequality.” These conversations can be both painful and divisive.

Compounding the challenge is justifiable skepticism, if the past is any gauge, that this soul baring will produce much, if any, change. This is a legitimate concern, and one all participants gnawed on at some length. It was CCFY’s hypothesis, however, that by focusing on the internal operations of their own organizations, participants would identify changes they could in fact make. Of greater import, they would come to more nuanced understandings of how and why seemingly neutral policies and practices can perpetuate inequalities. CCFY also believed that the knowledge and experience gained from their organizational inquiry and analysis would both fuel and temper their external efforts. Finally, the extent to which this or any work is sustainable depends in large measure upon the personal convictions of those who undertake it. This publication is replete with evidence attesting to the deep commitment to continue the evolution this work set in motion.

CCFY often reports to funders that the work we do becomes a part of who we are. In this instance, Leading by Example caused us to examine our own organization, and resulted in a by-law amendment to accommodate greater diversity on our board by increasing the number of members and adding term limits. In tandem with the amendment, we revised our board criteria to affirm that we must “be intentional about the racial and ethnic composition of the board to ensure that CCFY benefits from diverse perspectives informed by different life experiences.” Like our community foundation colleagues, however, we are less impressed with what we have accomplished than how far we have yet to go.

We applaud the Charles Stewart Mott Foundation for its substantial investment in the effort described in this publication, and the participants for their courage and inspiration. It has been a privilege to be part of this process.

— Cindy Sesler Ballard, *Executive Director*



## Afterword: California Tomorrow

When we embarked on this journey it was clear that California Tomorrow's effectiveness in structuring a constructive dialogue and change process for the leadership of the four foundations would depend on our own willingness and capacity to learn and change.

Since 1984, our organization has been supporting the work of community and civic leaders who were organizing to build a more equitable society. Whether in public schools, the early childhood field, or community building, we leveraged our research, advocacy, technical assistance, and leadership to strengthen their capacity to organize and advocate for equitable treatment and participation in institutions that are central to the well-being of their children, families, and communities. Our change model has always been grounded in the politics of social change, involving a clear power analysis and strategies to build and leverage power to hold institutional leadership accountable. We were proud of the contributions we have made to supporting organized groups of teachers, parents, and community leaders, many of whom are bringing about change from below and from outside centers of power.

With the LBE initiative, the Coalition of Community Foundations for Youth and the Charles Stewart Mott Foundation called upon California Tomorrow to adapt our change strategies for use in institutions whose presidents, boards, and senior managers were already interested in becoming more inclusive and equitable. Although community foundations, like any other institution in our society, reflect and reproduce inequality in distribution of resources and access to power and influence, reliance on an "organizing" model did not make sense when the "target" was already at the table. In addition, whereas other groups have needed our support to create a space for their constituencies at major decision-making tables in their communities, community foundation leaders are customarily included and in many cases serve as the conveners of these formal and informal decision-making tables.

It was also clear to us that the communities served by the four LBE foundations were undergoing serious challenges in responding to diversity amidst enduring inequality—at a systemic level. Our experience has taught us that improving inter-group relations and social outcomes for groups who have been most impacted by structural inequality requires political action to address the root cause of inter-ethnic competition, systemic barriers to civic participation, and unequal access to societal resources. Likewise, we have learned that dialogue about cultural awareness and appreciation was insufficient by itself to create inclusive and equitable organizations, institutions, and communities. History has taught us all that creating an inclusive and equitable society requires leadership—individual and collective.

Based on California Tomorrow's own position in society, for us, working to address structural inequality meant marshaling our resources to strengthen social change organizing from the bottom up. However, we knew that a community foundation's societal positioning would open up a variety of other avenues for their staff, trustees, and donors to take leadership on promoting inclusion and undoing structural inequality. We also knew that each foundation had to make its own choices about strategic positioning and specific action to be

taken on issues of social inequality in the community. The foundation leaders understood their communities best, had the relationships with civic and grassroots leaders, and they alone could gauge the readiness and capacities of their foundations to initiate and sustain any ambitious change efforts. Reaching this conclusion was a critical step in our project design process. The knowledge we gained about the history and contemporary development of the community foundation sector from CCFY and an informal cadre of diversity and equity advocates within philanthropy was instrumental in our affirmation of the concept of community self-determination as a guiding principle for this capacity building work.

As we designed the dialogue process, tools, and resources for the LBE initiative, we determined to treat the community foundation leaders the same as we treated any constituency we have worked with in the past. We would seek to learn as much as we taught. We would share strategies and tools, but leave the decision of which strategies and tools were adopted to the foundation leaders. We would articulate our vision, values, principles, and analysis, but we would not present these as the only version of reality. In fact, we would share resources and materials from other research and technical assistance intermediaries (with change frameworks that were different than our own) and encourage all participants to do so as well. We would start from the reality of each foundation leader and their understanding and hopes for change. In short, we would put our trust and faith in the foundation leaders' ideals and intentions as the driving forces in their dialogues and leadership work. Our role would be to act as a critical servant, guide, and ally to their efforts to apply equity values and an equity lens to their internal and external decision-making and leadership. As an organization that is also a "work in progress" in matters related to inclusion and equity, we took on this leadership role with humility and empathy.

Given the urgency for equitable change in our communities, this strategic decision challenged us to find creative ways to authentically represent our values and principles about diversity, equity, and democracy as facilitators of this change effort without narrowly confining the reflection and discussion or prescribing the solutions and actions that emerged from these. To ensure attention to these concerns, we grounded much of the dialogue, assessment, and planning in data and analysis of the most pressing diversity and equity issues faced by different groups in the communities served by the four foundations. The collective task we put before the leaders of the Leading by Example network was to rigorously interrogate the underpinnings of these community dilemmas and to bring their highest ideals and hopes to their strategizing about the most appropriate leadership role for the foundation in acting as a catalyst for equitable change. Because we have learned that, for groups, arriving at philosophical or ideological consensus about complex and embedded matters of inequality (e.g., around race or class) is an ongoing endeavor, we believe that choosing a common philosophical or ideological framework to explain how we got here is less important than developing a shared vision for change and a set of principles to guide our collective change work across dimensions of diversity and social station.

The early steps and outcomes achieved by our partners in this effort demonstrate that creating inclusive and equitable foundations is possible, but not without tapping people's highest values and ideals. There are no huge pots of incentive dollars waiting for those who take the lead in this important work. Among the LBE leaders, although personal feelings about inequality in our society ranged from frustration to righteous indignation to deep pain, each drew on and deepened their patience, tenacity, and optimism to keep the dialogue and change process going amidst the myriad daily issues and concerns their foundation dealt with. In so doing, the foundation leaders marked these traits as indispensable leadership qualities for challenging internal change initiatives.

Through collective dialogue, learning, assessment, planning, and action, the leaders of the four community foundations are demonstrating that the goal for institutional leadership is not to push their organizations to arrive at a single worldview, but instead to create space for the exchange of multiple world views and interests in shaping decision making and leadership. By nature, this approach to decision making is much more complex and demanding than adhering to an organizational culture and practice that reflects and honors only one world view and the priorities of one constituency.

After two-and-a-half years of working with the leaders of The Community Foundation for Greater New Haven, the East Bay Community Foundation, the Greater Milwaukee Foundation, and The Winston-Salem Foundation, we are even more convinced of the great potential that exists in community foundations to serve as catalysts for equitable change in communities across this country. Their individual and collective stories of change serve as powerful testimonies to the fact that equitable change is possible and that institutions are inventions of human will—not the reverse. Given the rapidly changing demographic landscape of this country and the urgency to create avenues for engaging our new majorities of color in the leadership of our communities, we believe that the very survival of the social contract is dependent on the capacity of all societal institutions to embrace the values of inclusion and equity. As these four foundations have demonstrated, the work of creating more inclusive, democratic, and equitable institutional cultures is an iterative process that must be continually invented and reinvented—an unfinished journey. It is our sincere hope that the example set by the leaders of these four foundations inspires other institutional leaders to follow in their path.

We are grateful to these leaders, to the Coalition of Community Foundations for Youth, and to the Charles Stewart Mott Foundation for the opportunity to be a part of this important journey toward equitable change.

— Rubén Lizardo, *Director of Capacity Building*

## Resource Materials for LBE Initiative

### DIVERSITY AND EQUITY PARADIGMS, FRAMEWORKS, PRINCIPLES, AND DILEMMAS:

(Note: We drew heavily on issues and concepts raised in the four publications listed in this section for our various dialogues, interactive exercises, and tools.)

- Hedy Nai-Lin Chang, Nguyen Louie, Benjamin Murdock, Elena Pell, and Ted Scott Femenella. *Walking The Walk: Principles for Building Community Capacity for Equity and Diversity*, California Tomorrow, 2000.
- Angela Glover-Blackwell, Stewart Kwoh, and Manuel Pastor. *Searching for the Uncommon Ground: New Dimensions on Race in America*, W.W. Norton Company, 2002.
- David M. Scheie, with T. Williams and Janis Foster. *Improving Race Relations and Undoing Racism: Roles and Strategies for Community Foundations*, Rainbow Research, Inc., 2001.
- David A. Thomas and Robin J. Ely. "Making Differences Matter: A New Paradigm for Managing Diversity," in *Harvard Business Review*, September/October, 1996.

### DIVERSITY AND EQUITY ISSUES IN PHILANTHROPY:

- Building on a Better Foundation: A Toolkit for Creating an Inclusive Grantmaking Organization*, Donors Forum of Chicago, Minnesota Council on Foundations, Northern California Grantmakers, and New York Regional Association of Grantmakers, 1999.
- Community Catalyst: How Community Foundations Are Acting as Agents for Local Change: Findings From An Evaluation of The Community Foundations Initiative*, The James Irvine Foundation, forthcoming.
- Lynn Burbridge, William Diaz, Teresa Odendahl, and Aileen Shaw. *Diversity Practices in Foundations: Findings From Joint Affinity Groups' Sponsored National Study*, Joint Affinity Groups, 2001.
- Lyn Farmer. "Miami: Overcoming Intercultural Isolation," in Richard Magat, *An Agile Servant: Community Leadership by Community Foundations*, New York, NY: Foundation Center, 1989.
- Diana S. Newman, with Mindy Berry, Jessica Chao, Henry A. J. Ramos, and Mary Frances Winters. *Opening Doors: Pathways to Diverse Donors*, Council on Foundations, 2002.
- JoAnne Scanlan, with Mary Frances Winters, Mindy L. Barry, Jessica Chao, and Henry J. Ramos. *Cultures of Caring: Philanthropy in Diverse American Communities*, Council on Foundations, 1999.
- Mary Frances Winters. *Include Me: Making the Case for Inclusiveness for Community Foundations*, Council on Foundations, 1996.
- Laura Waterman Wittstock and Theatrice Williams. *Changing Communities Changing Foundations: The Story of the Diversity Efforts of Twenty Community Foundations*. Minneapolis, MN: Rainbow Research, Inc., 1998.

### PROMISING PRACTICES IN DIVERSITY AND EQUITY CHANGE WORK:

- A Community Builder's Tool Kit. A Primer for Revitalizing Democracy from the Ground Up*, The Institute for Democratic Renewal and Project Change Anti-Racism Initiative, 1999.
- Cindy Choi, Rubén Lizardo, and Gary Phillips. *Race, Power and Promise in Los Angeles: An Assessment of Responses to Human Relations Conflict*, MultiCultural Collaborative, 1996.
- Lani Gunier and Gerald Torres. *The Miner's Canary: Enlisting Race, Resisting Power, Transforming Democracy*, Cambridge, MA: Harvard University Press, 2002.
- Rita Hardiman and Bailey W. Jackson. "Cultural Study Groups: Creating Dialogue in a Corporate Setting," in *Intergroup Dialogue: Deliberative Democracy in School, College, Community and Workplace*, edited by David Schoem and Sylvia Hurtado, University of Michigan Press, 2001.

Catherine Flavin-McDonald and Martha L. McCoy. *The Busy Citizen's Discussion Guide: Facing the Challenge of Racism and Race Relations*, 3rd Edition. Study Circles Resource Center, 1997.

Ilana Shapiro, Ph.D. *Training for Racial Equity and Inclusion: A Guide To Selected Programs*, Project Change Anti-Racism Initiative, The Aspen Institute's Roundtable on Comprehensive Community Initiatives, and The Center for Assessment and Policy Development, 2002.

#### RESEARCH ON THE INTERSECTION OF RACE AND POVERTY IN METROPOLITAN AMERICA:

john a. powell. *Racism and Metropolitan Dynamics: The Civil Rights Challenge of the 21st Century*, Institute on Race & Poverty Research, 2002; prepared for Ford Foundation.

Center for Urban Initiatives and Research, University of Wisconsin at Madison. *Data and Analysis on Race & Poverty in Milwaukee and Waukesha Counties (1980-2000)*, Prepared for Greater Milwaukee Foundation, 2002.

United Way of Los Angeles. *A Tale of Two Cities; Bridging the Gap Between Promise and Peril: State of Los Angeles County*, 2003.

#### DIVERSITY AND EQUITY RELATED STRATEGIC PLANS & MATERIALS:

##### EXAMPLES OF STRATEGIC PLANS WITH EXPLICIT EQUITY AND DIVERSITY FOCI:

*University Health Services Division's Strategic Plan (2000-2005)*, University of California, Berkeley.

*Race, Ethnicity, & Culture Organizational Improvement Priority Plan*, Annie E. Casey Foundation.

*Executive Summary of Liberty Hill Foundation's Strategic Plan*, 2001.

##### EXAMPLES OF CORE VALUES OR OPERATING PRINCIPLES ON DIVERSITY, INCLUSION, AND EQUITY:

###### PHILANTHROPY

California Community Foundation

The Community Foundation for Greater New Haven

East Bay Community Foundation

Dade Community Foundation

Greater Milwaukee Foundation

Evelyn and Walter Haas, Jr. Fund

Kalamazoo Community Foundation

The San Francisco Community Foundation

The Winston-Salem Foundation

###### OTHER ORGANIZATIONS

California Children & Families Commission's Principles on Equity

California Tomorrow

#### MANAGING ORGANIZATIONAL CHANGE:

William Bridges. *Managing Transitions: Making the Most of Change*, Addison-Wesley, Reading, MA, 1991.

Daniel Goleman. *Emotional Intelligence: Why it Can Matter More than IQ*, New York: Bantam, 1995.

## LEADING BY EXAMPLE PARTNERS

### **The Community Foundation for Greater New Haven**

70 Audubon Street  
New Haven, Connecticut 06510  
(203) 777.2386

The Community Foundation for Greater New Haven is committed to the goal of community building—to strengthening and protecting the community's varied assets; to increasing respect, understanding and collaboration among its diverse stakeholders; and to enhancing the quality of life for all. Its vision is of a Greater New Haven filled with residents who have taken charge of their lives and make every neighborhood, town, and city a great place to live, work, and play.

### **East Bay Community Foundation**

200 Frank Ogawa Plaza  
Oakland, CA 94612  
(510) 836.3223

The East Bay Community Foundation is a nonprofit charitable organization through which individuals, families and businesses carry out their charitable giving, and nonprofit organizations and programs seek funding. By acting as a conduit between the two, the Foundation achieves its mission of enhancing the lives of all East Bay residents.

### **Greater Milwaukee Foundation**

1020 N. Broadway  
Milwaukee, WI 53202  
(414) 272.5805

The Greater Milwaukee Foundation helps people establish permanent charitable funds that serve people throughout Milwaukee, Waukesha, Ozaukee and Washington counties and beyond. Because donors name each fund and choose the causes it serves, they enjoy the individuality of a private foundation. Because these funds are united under one organizational roof, they gain the superior cost effectiveness and tax benefits of a large public charity.

### **The Winston-Salem Foundation**

860 West Fifth Street  
Winston-Salem, NC 27101  
(336) 725.2382

Connecting people who care with causes that matter, The Winston-Salem Foundation is a pool of hundreds of charitable funds entrusted to be used for long-term philanthropic good. These funds are invested and income is used to award grants, including scholarships, to benefit the community as the donors intended.

### **California Tomorrow**

1904 Franklin Street, Suite 300  
Oakland, CA 94612  
(510) 496.0220

California Tomorrow's mission is to help create a strong, fair, and equitable multiracial, multicultural, and multilingual society. We believe that creating such a society involves promoting equal access to and participation in major social, economic, and educational resources and institutions, and embracing diversity as our greatest strength. In the last 20 years California Tomorrow has built a strong body of research and experience supporting individual, institutional, and community change work around matters of diversity and equity in: public schools, community building organizations, family serving institutions, early childhood programs, and the after school arena.

### **Coalition of Community Foundations for Youth**

15639 Leavenworth Road  
Basehor, KS 66007  
(800) 292.6149

The Coalition of Community Foundations for Youth (CCFY) is a network of over 200 community foundations in communities across the United States dedicated to securing improved conditions for children, youth and families through community-building strategies.





