Nonprofit Diversity and Inclusion

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Introduction

In November 2009, the Michigan Nonprofit Association and Johnson Center at Grand Valley State University surveyed 230 Michigan nonprofits on issues relating to nonprofit diversity and inclusion. These terms were defined as: Diverse individuals are those from different national origins, ethnicities, races, cultures, generations, religions, economic backgrounds, gender identities and sexual orientations, and with different skills, abilities, lifestyles and beliefs. Inclusive organizations seek out and consider the perspectives of diverse individuals to overcome current and historic systemic barriers and exclusion thus ensuring that all individuals have equitable opportunity to participate in society. Key findings from this survey are presented below:

- 59% of responding nonprofits have a formal policy regarding diversity and/or inclusion
- 95% of responding organizations believed that being more diverse and inclusive would benefit their organization
- Nearly half of nonprofits reported needing help recruiting and retaining diverse board members

Diversity and Inclusive Organizational Policies

The majority (59%) of responding nonprofits have a formal policy regarding diversity and/or inclusion; 18% have a policy regarding only diversity while 41% of organizations have a policy regarding both diversity and inclusion.

- As shown in Figure 1, 45% of organizations with formal policies stated that their policies had been adopted more than five years ago.
- Nonprofits with smaller budgets were less likely to have formal policies with over half (53%) of organizations with budgets of less than $500,000 reporting that they do not have a formal policy regarding diversity and/or inclusion.
- Participating nonprofits reported that policies applied to staff members (94%), board members (81%), volunteers (68%), clients (63%), and vendors (33%).
- Population groups most often identified in formal policies included race and ethnicity (93%), gender (89%), disability (86%), religion (85%), age (83%), sexual orientation/gender identity (73%), and socioeconomic status (60%).

Funder Expectations of Nonprofit Diversity and Inclusion

Sixty seven percent of participating nonprofits received funding from a Michigan foundation in the past year.

- The vast majority (82%) of responding organizations are not required by their most important Michigan funder to have a minimum level of diversity among their staff, board, volunteers, clients, or vendors.
- Thinking about their most important Michigan funder, responding organizations were asked to identify which aspects of diversity they have been formally asked to report. Responses are shown in Figure 2.

**Diversity and Inclusive Organizational Practices**

Fifty percent of participating nonprofits stated that their organization’s leadership places a high priority on issues of diversity and inclusiveness. Upon further examination of this topic in a follow-up phone survey it was found that respondents to the web survey may have placed more importance on diversity than non-respondents.

- The survey asked participants to indicate three areas where their organization needed help to become more diverse and inclusive. Nearly half (46%) of nonprofits reported needing help recruiting and retaining diverse board members, with a fifth (20%) needing help getting board support and commitment.

- Arts and Culture nonprofits (69%) and Southwestern Michigan nonprofits (60%) were the most likely to report needing help recruiting and retaining diverse board members.

- Other areas in which organizations stated needing help to become more diverse and inclusive include: recruiting and retaining diverse staff members (27%), assessing organizational capacity to be diverse and inclusive (25%), and creating a strategic plan for change (16%). Twenty seven percent of responding nonprofits reported not needing help in any of the above areas.

- Community Service nonprofits were the most likely to report diversity and inclusion as being a low priority (19%) or not currently a priority (19%) of the organization’s leadership.

- Community Service nonprofits were also the most likely (95%) to believe that being more diverse and inclusive would broaden their understanding of the issues they are addressing.

- A quarter (25%) of nonprofits were not sure how important diversity was to their most important Michigan funder, as is shown in Figure 3.
As shown in Figure 4, about three quarters of responding organizations believed that being more diverse and inclusive would: broaden their understanding of the issues they are addressing (77%); broaden their experiences to draw upon in designing, implementing, and evaluating programs (75%); and help services and programs better fit the needs of clients/customers (71%).

**Board and Staff Demographics**

Participants were asked to report which population groups were represented on their board and staff.

- Responses indicated that board representation included: females (100%); males (96%); two or more diverse racial/ethnic backgrounds (64%); members under the age of 35 (51%); members with a disability (37%); lesbian, gay, bisexual, or transgender members (22%*); and members who do not speak English as their first language (14%).

- Health Care nonprofits were the most likely (92%) to have two or more diverse racial/ethnic backgrounds represented on their board.

- Staff representation included: females (99%); males (72%); members under the age of 35 (77%); two or more diverse racial/ethnic backgrounds (62%); members with a disability (35%); lesbian, gay, bisexual, or transgender members (33%*); and members who do not speak English as their first language (19%).

- Mid-Michigan nonprofits were the least likely (45%) to report having a staff member who is male.

*Responses cautioned that representation from this population group is sometimes unknown.