

The Imperative to Transform Nonprofit Boards to Become Diverse, Equitable, and Inclusive (& How To)

January 2022



We have the opportunity to "leverage talent from all corners of the community and the contributions of many voices and perspectives in imagining and shaping the future."

Alice Korngold, Leveraging Good Will: Strengthening Nonprofits by Engaging Businesses (2005)1

THE IMPERATIVE TO TRANSFORM BOARDS BY 2025

This is a report and recommendations to Achieve Diverse, Equitable, and Inclusive (DEI) Nonprofit Boards² by the Year 2025.

This report and recommendations by Korngold Consulting reflect annual DEI studies of major companies and nonprofit organizations conducted by the firm since 2017 ³; research within the sectors; and consultations on governance and DEI with more than one hundred nonprofit boards over the past thirty years.

Additionally, this report and recommendations are informed by a roundtable discussion with forty-five nonprofit, foundation, and governance and corporate experts convened in December 2021 by Korngold Consulting, as described in this report.

Based on its experience and evidence-based research, Korngold Consulting asserts that to effectively advance their missions, nonprofit boards must be diverse, equitable, and inclusive. With proper leadership, DEI will be infused throughout the organization—its culture, values, strategies, workforce, volunteers, funders, stakeholders, and clients—to best achieve its mission.

There are many aspects of diversity, including race, ethnicity, culture, religion, age, gender and gender expression, sexual orientation, and abilities and disabilities. This report focuses on racial and ethnic diversity, although the recommendations are likely to be useful in a variety of contexts.



Korngold Consulting convened the roundtable based on the firm's finding that by addressing racial equity and justice related to their work, nonprofits will maximize their impact in advancing their social, economic, and environmental missions.

- Racial equity and justice are fundamental to achieve nonprofit missions, and the United Nations Sustainable Development Goals (SDGs) ^{4 5 6}.
- Only diverse, equitable, and inclusive nonprofit boards are fully equipped to maximize an organization's strategic and financial success in advancing its mission.
- It is imperative to transform nonprofit boards to become diverse, equitable, and inclusive (DEI) by 2025.

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UNDERSTANDING THE IMPERATIVE TO TRANSFORM BOARDS

Participants from diverse backgrounds were convened for a roundtable to discuss the imperative for nonprofit boards to be DEI by 2025.

Forty-five nonprofit executives and board members, and governance and corporate experts were convened by Korngold Consulting in December 2021 for the roundtable. The women and men who participated were from racially and ethnically diverse backgrounds. Three commentators opened the roundtable to establish the premise that nonprofit boards must be transformed. They were:

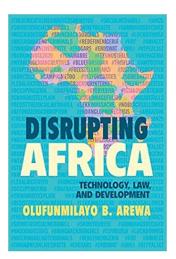
- 1. Alice Korngold, President & CEO, Korngold Consulting, and author of <u>A Better World, Inc.: How Companies Profit by Solving Global Problems... Where Governments Cannot</u> (Springer, 2014)⁷, and <u>Leveraging Good Will: Strengthening Nonprofits by Engaging Businesses</u> (Jossey-Bass, 2005) ⁸. Alice Korngold shared her firm's findings and three conclusions: that racial equity and justice are fundamental to advancing nonprofit missions; only DEI boards are fully equipped to maximize the effectiveness of nonprofits in advancing their missions; and it is imperative to transform nonprofit boards to be DEI by 2025.
- 2. Grady Crosby, retired C-suite executive at Johnson Controls, and Immediate Past Chair, UN Global Compact Network USA. Grady Crosby discussed <u>In the Red: The US Failure to Deliver on a Promise of Racial Equality</u> (SDSN, 2021)⁹ that shows the deficit in services as varied as education, justice, health, gender, and pollution for racially and ethnically diverse communities.



"While the US founding documents assert that 'all men are created equal,' this value is not demonstrated in outcomes across areas as diverse and varied as education, justice, health, gender, and pollution. On average, white communities receive resources and services at a rate approximately three times higher, than the least-served racial community (data on Asian, Black, Indigenous, Hawaiian and Pacific Islander, Hispanic, Multiracial and 'Other' racial communities, were used as available). Evidence shows that unequal treatment impacts each of these communities, however, it is most often Black and Indigenous communities that are left the furthest behind. When states are scored on how well they deliver the United Nations Sustainable Development Goals (SDGs) to the racial group least served, no state is even halfway to achieving the SDGs by 2030."

Grady Crosby reported that the index also highlights "the lack of consistently updated, racially disaggregated data in the US."

3. Olufunmilayo (Funmi) Arewa, author of <u>Disrupting Africa: Technology, Law, and Development</u> ¹⁰, professor of corporate governance, and advisor to Silicon Valley companies, discussed the challenge that she describes as "Double Marginalization."



"Taking account of DEI requires ongoing attention to patterns of domestic and global marginalization and exclusion. We must interrogate these systemic issues by asking who is at the table, who speaks, and who is truly heard. Nonprofits would benefit from greater attention to ways in which marginalization is embedded in institutions, including their own internal operations, by taking account of multiple types of marginalization that may overlap and interact. Addressing double marginalization requires attention to global systems, as well as such patterns in local contexts where nonprofits operate. For example, U.S. based nonprofits working in Africa need to address DEI on multiple levels by including board members, executives, and employees from Africa as well as diverse candidates from the U.S. These steps may significantly enhance their ability to address questions of marginalization, exclusion, and poverty that may be core aspects of their missions."

TRANSFORMING YOUR BOARD

Twelve Recommendations to Build Diverse, Equitable, and Inclusive (DEI) Nonprofit Boards by 2025

Promote DEI to advance the nonprofit's mission.

- Develop a deep understanding and commitment within the board that racial equity and justice are fundamental to achieving the organization's mission.
- Understand that it is the role of both the CEO and the board to provide strong DEI leadership in order to achieve the mission.

Build a DEI board to maximize organizational success.

- **3.** Ensure that the board understands that only a DEI board is fully equipped to advance the organization, including its mission, programs, workforce, clients, etc.
- 4. Recruit each and every board member by establishing a mutual understanding of the particular value they bring to the table, including their experiences, perspectives, expertise, and networks. Renew this understanding at least once a year in the context of where the organization is going and the role of the board to maximize strategic and financial success.
- Appreciate the quality of humility when recruiting board members in order to build a culture that is open, respectful, and inclusive
- 6. To ensure a robust revenue model, build a board comprised of people with diverse experiences, perspectives, expertise, and networks, each of whom brings unique value, and who together are best qualified to drive strategic and financial success. Many of the most valuable board members provide insights as well as credibility—not financial contributions—that are crucial in advancing strategic and financial success. Understand that recruiting board members who have the personal capacity to make significant personal financial contributions is but one dimension in building a board that will maximize the organization's impact and revenue.
- Source board member candidates from networks beyond those of your current board. For example, build relationships with Black professional associations, and alumni groups of HBCUs.



Promote equity and inclusion to leverage each board member's value.

- 8. Focus on equity and inclusion as well as diversity. Ensure that the board culture, practices, and behaviors make it welcoming and comfortable for board members with diverse experiences and backgrounds to add value in advancing the mission.
- Build a leadership corps of board officers and committee chairs comprised of board members from diverse backgrounds.
- 10. Engage each and every board member in meeting discussions; recognize, acknowledge, and value all participation. This includes being receptive to perspectives that are divergent. Having humility and an open mind creates a productive and positive environment and will often lead to innovation and progress.

Measure, report, and further accelerate progress.

- 11. Establish measurable targets, assess progress on a regular basis, and improve DEI board strategies iteratively to reinforce and build on success.
- 12. Report on progress and strategies to further advance DEI.

Above are Korngold Consulting's twelve recommendations to Achieve Diverse, Equitable, and Inclusive (DEI) Nonprofit Boards by 2025. This model is informed by annual DEI studies of major companies and nonprofits conducted by Korngold Consulting since 2017¹¹; research within the sectors; consultations on governance and DEI with more than one hundred nonprofit boards over the course of thirty years; and a roundtable held in December 2021. (See the list of roundtable facilitators on page 5 and participants on page 12.)

BUILDING YOUR IDEAL BOARD: A BLUEPRINT 1

The Role of the Board¹²

The Role of the Board is entirely specific to each and every organization. There is no template. Determining the Role of the Board is a process, a process that must be iteratively updated by the board and CEO on a regular basis, in the context of present day and anticipated challenges and opportunities to achieve the mission.

Conducting this process on a regular basis provides an opportunity to recognize, celebrate, and rotate off board members whose contributions have been valuable in getting the organization to where it is today, and making room for new board members who bring the diversity of experience and expertise that is most critical to achieve the Mission, Vision, and Revenue Model going forward.

- Affirm the Mission. The Mission is a statement of the compelling value that the organization provides in improving communities and the world. The mission should be front and center in all discussions and decision-making.
- Establish the Vision. The board and CEO must also establish the Vision of where the organization sees itself in the next few to several years. Determine what success will look like.
- 3. Determine the Revenue Model. The Vision is meaningless without a Revenue Model that is aspirational but also realistic. The revenue model for each organization must be designed based on what the organization seeks to achieve, and a thorough analysis of revenue opportunities.
- 4. Establish the Role of the Board. Based on the Mission, Vision, and Revenue Model, establish the Role of the Board—not the CEO and her or his team, but the board—in maximizing the organization's greater potential—strategically and financially.
- 5. Create a Statement of Expectations. Based on the Role of the Board, create a Statement of Expectations of board members. This is a critical element of the board process to ensure that all board members are contributing meaningfully, each in their own way. For example, basic expectations might include attendance at board meetings and an expectation that every board member make a financial contribution.
- 6. Determine the ideal Board Composition. Based on the Role of the Board, determine the ideal Board Composition—the diverse mix of skills, experiences, backgrounds, expertise, networks, and relationships for the organization to have the greatest impact in advancing its mission. This is important to ensure that the board has the highest qualifications to achieve its role; this is also essential in order to have a clear and intentional conversation with each and every board member candidate about the value the candidate can bring to the table.



- 7. Establish the Committee Structure. Based on the Role of the Board, establish a Committee Structure for the board to efficiently and effectively achieve its role—not the CEO's role, but the board's role.
- 8. Focus Board Meeting Agendas. Design Board Meeting Agendas to focus the board on achieving its role—not the CEO's role, but the board's role. The ideal board meeting has a segment that is highly interactive in order to engage the entire board in a discussion of strategic significance. Additionally, board meetings should leave board members inspired; more deeply educated about the organization and its work; and with a clear idea of how each and every board member can add value. The latter item prepares each board member for follow up from the staff, or a board member, to involve each person in engaging meaningfully and productively.
- 9. Assess the Board. Conduct an annual assessment to determine how to further strengthen the board to maximize its effectiveness in advancing the mission.

Source:



CONVENING THE ROUNDTABLE TO DISCUSS THE DEI IMPERATIVE

Forty-five participants met in break out groups, led by facilitators. Each facilitator was provided with discussion questions; then asked to report to the full group with key points from their discussions. Video excerpts from facilitator summaries are provided throughout this report.

Facilitators



Olufunmilayo (Funmi) Arewa Shusterman Professor of Business & Transactional Law Temple University School of Law



Luciana Aquino-Hagedorn
Lecturer
Boston University School of Law
Investing Member, Portfolia
Boards: International Center for
Research on Women (Vice Chair); and
Landesa



<u>Craig Boise</u>

Dean and Professor of Law

Syracuse University School of Law

Board: Everson Museum of Art (Chair)



Gabriela Burian
Global Partnerships / Multi-Stakeholder
Platform Lead
Bayer
Board: Ladue Education Foundation



Grady Crosby

Retired C-suite executive

Johnson Controls

Board: Immediate Past Chair, U.N.

Global Compact Network USA



Chris Jochnick
CEO and President
Landesa
Board: Business & Human Rights
Resource Center (Chair)



Ayo Sanderson Wilson
Founder, CEO & President
Empower the Village

Video Excerpt

Olufunmilayo (Funmi) Arewa

Shusterman Professor of Business & Transactional Law Temple University School of Law



Our group was asked to focus on equity and inclusion in global nonprofits. This is a "journey of awareness," that involves internal reflection, taking into consideration unconscious biases and lived experiences.

- Our work can't just be about what we need to do, but also involves taking action, such as interrogating structures, institutions, and processes. For example, salary equity, who gets promoted, and what the leadership looks like. Also considering spacial conceptions—how you think about headquarters today, especially in this more virtual world.
- Setting targets and benchmarking are important, as well as determining how you can accelerate progress.
- 3. This is a journey, not a sprint. A marathon run over and over again. Never really done.
- **4.** Address sustainability. Whatever is created must be sustainable so that it can recreate itself in the long-term.
- 5. We are combatting an endemic disease. It's not a one-time thing.

DEVELOPING LEADERS TO PROMOTE DEI & SUSTAINABILITY: STUDIES

Korngold Consulting's Better World Leadership (BWL) studies, reports, and thoughtware provide evidence and methodologies for companies to develop high performing, diverse, equitable, and inclusive leadership for a sustainable future.



2020

"Insights for Action: DEI" provides lessons and a framework for nonprofits to make measurable progress in advancing diversity, equity, and inclusion.



2019

"Nonprofit Board Programs to Develop Leadership for a Sustainable Future" shows that nonprofit board programs are uniquely effective for companies to advance leadership development, diversity and inclusion, recruitment and retention, sustainability, and corporate responsibility.



2018

The "2018 Nonprofit
Board Leadership Study"
shows how nonprofit board
service is uniquely effective
for companies seeking to
develop more diverse,
inclusive, and high performing
workforces, and advance the
U.N. Sustainable Development
Goals.



2017

The "2017 Nonprofit Board Leadership Study" provides evidence of the value of nonprofit board programs for companies seeking to advance diversity and inclusion, develop human capital for innovation, and promote the U.N.

Sustainable Development Goals.

Video Excerpt

Grady Crosby

Retired C-suite executive, Johnson Controls
Immediate Past Chair: United Nations Global Compact Network USA

Our group was asked to focus on equity and inclusion. This is about making sure we empower diverse voices on the board, rather than engaging in tokenism. Including people from diverse backgrounds in board leadership positions.

- Making sure that the board room is a safe space. That everyone feels comfortable saying what they have to say. Inviting contrarian opinions. Asking people to share different opinions or ideas.
- 2. Bringing good equity and inclusion practices from your corporate jobs.
- 3. Looking at competencies of candidates whom we invite to serve on the board and in considering board members for leadership. It's not always and only about people who bring funds to the table; that perspective might disengage large segments of the communities we seek to serve. Among the board competencies we look for, we must make sure there is a competency for being able to associate with constituencies whom the organization serves. Including people who are dealing with the challenges our organization seeks to address.
- 4. Having an equity officer position on the board to ensure we are embedding equity and inclusion into our board practices. Making sure that the equity position on the board is not automatically relegated only to Black board members.



- 5. To accelerate DEI, we must be more intentional about measurement and gathering data. As we see in the "In the Red" report [on page 2 in this report], we can do so much more if we have disaggregated data around real world issues, such as food scarcity, education, pollution in our communities of color... Nonprofits can play a valuable role in providing this data.
- 6. There has been more activity related DEI in the past 18 months than previously. How can we capture this opportunity to maintain this spotlight of equity, inclusion, and fairness? If this is a once in a lifetime opportunity, then the time is now. These are issues that have been festering for over 400 years; we will not fix them overnight. So we need to make sure we are doing our part to set up this focus for the people who come behind us. We must make sure that we are optimizing this moment of opportunity.
 - This includes continuing sessions like this where we think intentionally about out work in the nonprofit sector.
 - This is a space where we don't need to compete. This is a space where cooperation will make us all better at what we do.

CONDUCTING A PERSONAL SELF-ASSESSMENT: DEI

Understanding Your Own Experiences

This report focuses on equity and inclusion in the context of racial and ethnic differences. However, there are a number of circumstances in which people feel excluded.

Consider your personal experiences as you think about this report and recommendations.

Your own feelings about being undervalued and not seen can help inform your understanding of other people who are marginalized, often significantly, in their work and communities.

"When we are cast into roles, we are not ourselves. We are not supposed to be ourselves. We are performing based on our place in the production, not necessarily on who we are inside."

"Veer from the script, and you will face the consequences."

Isabel Wilkerson, Caste: The Origins of Our Discontent¹³

Video Excerpts

Craig Boise

Dean and Professor of Law Syracuse University College of Law Board: Everson Museum of Art (Chair)



Our group was asked to focus on equity and inclusion. Sometimes when you diversify boards, board members who bring diversity might have a sense of impostor syndrome. This is one reason that it's important to address equity and inclusion.

We had three recommendations:

- 1. As you're bringing on diverse board members, or any board member for that matter, frame expectations while also sharing what you see them bringing to the table. So that they have a sense that they have something to contribute and that you gave that some thought.
- 2. As you're deliberating innovation and new ideas, it's important to validate the experiences and ideas of diverse board members. To recognize the value they bring to the conversation.
- To accelerate D, E, & I, it's about intentionality. For example, when you make decisions about leadership positions, be intentional in considering how diverse members can contribute through leadership.

Gabriela Burian

Global Partnerships / Multi-Stakeholder Platform Lead | Bayer Board: Ladue Education Foundation



Our group was asked to focus on building more diverse boards. Our recommendations were:

- Ensuring that the leadership of the board is diverse, including with the commitment and support of the CEO.
- Accelerating the advancement to DEI by being highly purposeful and intentional. In addition, connecting the dots with ESG and sustainability can be accelerators.
- 3. Ensuring that the business case for DEI is clear to everyone.
- Ensuring that companies that are sources of board member candidates give people from diverse backgrounds a high degree of visibility, by encouraging and supporting their engagement on nonprofit boards. [For example, as head of her company's UNIDOS group, Gabriela Burian ensured that executives from diverse racial and ethnic backgrounds were given opportunities to be trained and matched to global, national, and regional nonprofit boards.]
- Tracking and reporting metrics, with a commitment to transparency.

CONDUCTING A BOARD SELF-ASSESSMENT: DEI

Maximize your organization's effectiveness in advancing its mission by engaging the board in understanding racial equity and justice, and making a plan.

Here are questions for the board's discussion.

- **Mission.** Consider the ways that racial equity and racial justice affect our effectiveness in achieving our organization's mission. What data is available, and what further data is required in order to make this determination?
- 2. **Diversity.** Consider the extent to which the board must be diverse in order to be fully equipped to address racial equity and justice in achieving its mission.
 - Is there an ideal number of board members from diverse racial and ethnic backgrounds that will ensure our organization's effectiveness? Is there an ideal number of board members from diverse racial and ethnic backgrounds who should be in board leadership positions in order to ensure our organization's effectiveness? What metrics will indicate that we are successful in addressing DEI at the board level and throughout the organization?
 - How will the board source, identify, and recruit additional board members from diverse racial and ethnic backgrounds?
 - How will the board *make room* for new board members to alter the board's composition? Some boards facilitate transformation by instituting term limits, or expanding the size of the board. Based on our firm's consulting and training experience, we recommend engaging the board in updating its understanding of its role and optimal board composition to advance the Vision and Revenue Model for success. (See the section on "How to Build Your Ideal Board: A Blueprint.")
- **3. Equity and Inclusion**. Focus on practices and behaviors to create a culture that ensures that all board members are fully engaged and appreciated.
 - How does the board know when it's successful in terms of equity and inclusion?
- **4. Assessment.** Determine how a diverse, equitable, and inclusive board will be more effective in achieving the organization's mission. Consider how to assess the effect on the culture, values, strategies, staffing, volunteers, funders, stakeholders, and clients.
- 5. **Urgency.** Recognize the urgency. Organizations will languish without understanding and addressing racial equity and justice in the context of their missions. Establish goals for 2025; then iteratively assess and accelerate progress in order to maximize the organization's potential in achieving its mission.

	Stuck	Work to do	All systems go	Progress!
DEI Focus	Board is not interested.	DEI is discussed, but actions and results are limited.	Board and CEO are deeply committed and engaged in strategy and oversight.	Board and CEO are seeing results from 15+ months of focus. Keeping foot on the gas.
Board/Executive Leadership Composition Inclusion Leadership Measured	Discussion: NO Open to change: NO	Discussion: SOME Results: LIMITED	DEI on board agendas: YES Commitment: YES Strategy: YES Metrics & Accountability: YES Results: SOME	ONGOING 1. DEI on board agendas: YES 2. Commitment: YES 3. Strategy: YES 4. Oversight: YES 5. Metrics & Accountability: YES 6. Results: YES
Staff/Workforce Composition Inclusion Leadership Measured	Discussion: NO Open to change: NO	Discussion: NO Oversight: NO	DEI on board agendas: YES Commitment: YES Strategy: YES Oversight: YES Metrics & Accountability: YES Results: SOME	ONGOING 1. DEI on board agendas: YES 2. Commitment: YES 3. Strategy: YES 4. Oversight: YES 5. Metrics & Accountability: YES

Assess your board

Use Korngold Consulting's framework to assess where your board is in advancing DEI, where your board wants to be, and next steps to advance progress.

This framework was developed in 2020 based on twenty case studies; Korngold Consulting uses the framework as a tool in guiding boards to strengthen governance and their organizations.

Download the Self-Assessment

REIMAGINING BOARD COMPOSITION: ASYLUM ACCESS

Consider this. What if a nonprofit builds a board comprised of people who demographically reflect the community the organization seeks to serve? Perhaps with only very few board members without such backgrounds? How might the nonprofit be more or less effective in advancing its mission?



Asylum Access | Emily Arnold-Fernandez, President & CEO

In 2019, fourteen years after its founding,
Asylum Access committed to become a Refugee Led
Organization (RLO), which includes transitioning the board to be
comprised of members of the refugee community.

Asylum Access has an international presence (registered as a global organization in the United States), in addition to national organizations run by local leaders in Malaysia, Mexico, and Thailand. As an international nonprofit and a family of local civil society organizations, we have partnered with other local organizations, including refugee-led organizations, in pursuit of refugees' human rights for over 15 years. Building Equitable Partnerships: Shifting Power in Forced Displacement¹⁴, December 2021.

This account is from an interview¹⁵ with Emily Arnold-Fernandez in January 2022.

In 2018, Asylum Access (AA) participated in the Global Refugee Forum, organized by the United Nations Refugee Agency. As of 2019, AA committed to transition itself to become a Refugee Led Organization (RLO). The organization pledged that 50% of all new board members between then and 2023 would be members of the refugee community—persons of forced displacement, and that at least one officer and committee chair would also have lived experience as a refugee. There were additional commitments related to building a staff with people from the refugee community.

Beyond the commitments related to board and staff composition, AA established a board committee on Culture and Engagement that looks at representation, inclusion, and governance. Goals with quantified metrics were established for each of the three areas.

The organization understood that "inclusion" is about more than numbers, so they embarked on a DEI learning journey facilitated by consultants.

In its December 2021 position paper, <u>Building Equitable Partnerships: Shifting Power in Forced Displacement</u>, AA "sets out the foundational elements that we believe define equitable partnerships. It also highlights some impactful practices that describe how to enact these foundational elements."

Asylum Access understands that institutions led by those most affected and those most proximate are undertaking foundational and transformative work for and with their communities. In our sector, those most affected are local civil society organizations, especially refugee- led organizations (RLOs).

This understanding stems from our day-to-day engagements, where we see these organizations identifying and breaking down the barriers that prevent dignified life and long term well-being in a cost-effective and culturally aware manner. It is reinforced by our review of available research, which shows those most affected are likely to lead responses that are accountable, legitimate, transparent, and ultimately, impactful.

We recognize that structural racism and bias in our sector have led to the systemic exclusion of local civil society—and in particular refugee-led groups—within funding streams, as well as strategy development and decision-making processes. As a refugee human rights organization, Asylum Access believes a key aspect of our mission is to dismantle the structures that enable this exclusion (both within our own organization and in the ecosystem in which we operate) and to support or engender new structures that center people who have experienced forced displacement.

REIMAGINING BOARD COMPOSITION: ETV

Consider this. What if a nonprofit builds a board comprised of people who demographically reflect the community the organization seeks to serve? Perhaps with only very few board members without such backgrounds? How might the nonprofit be more or less effective in advancing its mission?



Empower The Village (ETV)

Ayo Sanderson Wilson, Founder, CEO & President

Founded in 2018, all but one of the board members have been people of color.

When asked about ETV's approach to building the board, Ayo Sanderson Wilson responded by describing the value that each board member brings to the table and their demonstrated commitment to the community ETV empowers.

With regard to the board's demographics, the Founder believes¹⁶ that "in addition to bringing the skills and resources needed by the organization, board members must also have a strong, personal and demonstrated connection, affinity and commitment to those who are being served by ETV." She further shared that in her experience, "having nonprofits led by individuals without such a connection, which is the more prevalent scenario for the majority of organizations, can and does negatively impact results. For example, I do not believe that a board composed mostly of men should lead strategy and decision-making for a nonprofit on a mission to support women. A lack of understanding of the cultural and other nuances needed to build trust and engagement with the community served can impair decision-making, as well as the required sense of urgency that comes with truly knowing the people you hope to help."

"Empathy is no substitute for experience itself."

Isabel Wilkerson, Caste: The Origins of Our Discontents¹⁷

Video Excerpt

Ayo Sanderson Wilson

Founder, CEO & President Empower the Village (ETV)



Our group was asked to look at building more diverse boards among national and regional boards.

- In answer to the question about whether there is a specific number of diverse board
 members that should be the goal, we agreed that there is no specific number. But we
 did feel very strongly that we must we look at communities we serve and reflect that in
 board composition.
- Even more importantly, we must look at the leadership and power on the board. Who's on the Executive Committee? And who's got the ear of the staff? We must move diverse board members into leadership positions.
- As we're looking for new board members, we must look outside of our networks...not just replicate ourselves.
- 4. Add a criteria that board member candidates submit a diversity statement: What is your commitment and evidence of your commitment to diversity? Because that is the direction we're going in.

TAKING THE NEXT STEPS TO ADVANCE DEI

1. Assess your nonprofit board.

Determine where you are and where you want to be in building a DEI board. Use the "<u>DEI Board Assessment Tool</u>" with members of the executive leadership team, the board executive committee, the board nominating and governance committee, or the entire board.

2. Establish a board DEI Committee.

Create a committee comprised of individuals from diverse racial and ethnic backgrounds who have experience, expertise, and a deep commitment to DEI, board governance, and the organization's mission. The role of the committee is to work with the organization's CEO and board to develop a plan for the board to become diverse, equitable, and inclusive by 2025.

3. Develop a DEI plan for the board.

- Engage the full board in reviewing, affirming, and advancing the DEI plan. The plan should include the purpose, goals, strategy, and measurement metrics for building a DEI board by 2025.
- Refer to three sections in this report: the "Twelve Recommendations," "How to Build Your Ideal Board: A Blueprint," and the "Board Self-Assessment: Developing a Plan for DEI."

4. Iteratively assess and plan.

The board DEI committee and organization's CEO should engage the entire board in reviewing the board's progress, according to the metrics, at least twice a year, and update the plan accordingly to ensure that goals are met.

"A close examination of wealth in the U.S. finds evidence of staggering racial disparities. Gaps in wealth between Black and white households reveal the effects of accumulated inequality and discrimination, as well as differences in power and opportunity that can be traced back to this nation's inception. The Black-white wealth gap reflects a society that has not and does not afford equality of opportunity to all its citizens. This history matters for contemporary inequality in part because its legacy is passed down generation-to-generation through unequal monetary inheritances which make up a great deal of current wealth."

"<u>Examining the Black-white wealth gap</u>," Brookings. February 27. 2020¹⁸

Getting proximate to things that matter is a valuable opportunity to bear witness and take action to improve the well-being of others and the world in which we live.

Alice Korngold, "<u>Achieving Racial Equity is Integral to</u>
<u>Sustainability</u>," Presidio Graduate School, November 2, 2020¹⁹

WITH APPRECIATION TO ROUNDTABLE PARTICIPANTS

Bryan Adamson

Associate Dean & Brennan Professor

Case Western Reserve University School of Law
Board: Greater Seattle Business Association

David Addams*

Executive Director
Graustein Memorial Fund

Emily Arnold-Fernandez

President & CEO
Asylum Access

Traci Baird

President & CEO
EngenderHealth, Inc.

Emily Bancroft

President VillageReach

Caleb Boise

Business Operations & Strategy | Dapper Labs Board: Hudson River Community Sailing (Executive Committee)

Erin Bond*

Associate Dean
New York Law School
Board: Services for the Underserved

Sarah Degnan Kambou

Gender & Development Consultant
Immediate Past CEO & President
International Center for Research on Women
(ICRW)
Boards: Global Impact; Capital for Good (Vice Chair);

Kalanidhi Dance; Uplevyl (Advisory); Quilt Ai (Advisory)

Hans Dekker

President

Community Foundation of New Jersey

Nicole Demeisi

Global FI Digital Transformation Lead, Bayer Board: Ecology Project International

Deborah DeSantis

President & CEO
Corporation for Supportive Housing

Paul Ellingstad

Managing Partner, PTI Advisors Board: US Youth Soccer

Eve Ellis

Wealth Advisor, VP
William Blair & Company

Boards: Ms. Foundation; Maccabi USA

Eskedar Getahun

Consultant, Advisory Services Nonprofit Finance Fund Boards: MoveOn; Red Rover

James Hagy

Distinguished Lecturer in Residence Loyola University Chicago School of Law

Cyeria Jackson

Head of Internal Audit Operations, Amazon Board: LaunchCode (Treasurer)

Judith Jackson

Chief of Staff, Services for the Underserved

Scott Jackson*

CEO, Global Impact

Board: International Center for Research on Women (ICRW) (Chair)

Madeline Kerner

Co-Founder & CEO, Matriculate

Venkata Kishore

VP, Global Head of Vegetable Seeds, Smallholders & Sustainability, Bayer Board: iDE

Karthik Krishnan*

Adjunct Professor, NYU Stern School of Business Venture Chair, Redesign Health Certified NACD Board Director Board: Urban Upbound

Helen Lowman*

President & CEO
Keep America Beautiful
Board: PYXERA Global

Carolyn Mason

Boards: Jack and Jill of America, Essex County NJ (President); Pandemic Relief Fund; Apollo Theater

Scott McKee

SVP, Director of CSR First Merchants Corporation Boards: Meridian Health Services; and Volunteer,

Catholic Charities of the Rio Grande

Sarah Middleton

President & CEO, Mission Up Boards: Illumination Foundation; Friendship Shelter; Project Hope Alliance

Matthew Mo

Advisory Board Member Gruenwald Technologies

Michelle Murphy

Chief Diversity Officer and VP, Talent Development Trane Technologies Board: Reading is Fundamental

Anne Mwaniki

R&D Change Champions Network, Bayer Board: ZaidiSTEM (Founder)

Georgia Nassikas

Artist

Boards: Woodwell Climate Research Center; Amazon Biodiversity Center

Perri Richman

Co-Founder Inspire Global Ventures Boards: Ascendus (formerly Accion East); SCORE

Matthew Sekol

Industry Executive, Capital Markets
Microsoft
Board: Hope Lutheran Church

Lauren Shy

Sr. Counsel & Global Head, Legal Operations
PepsiCo, Inc.
Board: National Center for Access to Justice

Robin Smalley

Co-Founder & Chief Connector mothers2mothers Board: mothers2mothers

Jennifer Swayne Njuguna

Chief Operating Officer
Common Future

Anthony Tassi*

CEO, Literacy Partners

Clinical Professor of Global Health

Vivien Tsu

University of Washington
Boards: Village Reach (Chair,
Nominating/Governance); Terrewode Women's
Fund (Board Vice President); Independent Review
Committee, GAVI, the Vaccine Alliance

Peg Willingham*

Executive Director, Fairtrade America Boards: PYXERA Global; U.S. Foundation of the University of the Valley of Guatemala

*Correspondents (provided summary notes from breakout groups)

Facilitators are recognized on page 5.

ABOUT THE AUTHOR



ALICE KORNGOLD, PRESIDENT AND CEO, KORNGOLD CONSULTING LLC, provides strategy advisory services for boards and executives of multinational corporations, professional services firms, and global, national, and regional nonprofits. Based on thirty years of experience, her areas of expertise are board governance; sustainability; diversity, equity, and inclusion; and measurement.

Korngold authored A Better World, Inc.: How Companies Profit by Solving Global Problems...Where Governments Cannot (Springer, 2014) and Leveraging Good Will: Strengthening Nonprofits by Engaging Businesses (Jossey-Bass, a Wiley Imprint, 2005). She authored the chapter on Sustainability and Corporate Governance in both editions of the Handbook on Board Governance: A Comprehensive Guide for Public, Private, and Not for Profit Board Members (Wiley, 2016 and 2020).

Korngold is a Visiting Professor for the Masters in Financial Accountability, York University, Toronto, Canada. She is a juror for the World Environment Center's annual Gold Medal Award for International Corporate Achievement in Sustainable Development. She is a speaker at global conferences. Korngold received a B.A., history and an M.S.Ed., psychological services, from the University of Pennsylvania.



Alice Korngold

Email: alice@korngoldconsulting.com

Twitter: @alicekorngold

LinkedIn:

https://www.linkedin.com/in/alicekorngold/

Web: AliceKorngold.com





ENDNOTES

- ¹ Alice Korngold, Leveraging Good Will: Strengthening Nonprofits by Engaging Businesses, (San Francisco: Jossey-Bass, 2005).
- ² In this report, the term "boards" refers to nonprofit boards. Additionally, the term "nonprofits" includes nongovernmental organizations (NGOs), charities, and civil society organizations.
- ³ Alice Korngold, "Nonprofit Board Leadership Studies," 2017, 2018, 2019, and 2020. https://www.alicekorngold.com/studies/
- ⁴ SDSN, "In the Red:The U.S. Failure to Deliver on a Promise of Racial Equality," July 2021, https://www.sdsnusa.org/publications/in-the-red
- ⁵ Kriston McIntosh, Emily Moss, Ryann Nunn, and Jam Shambaugh, "Examining the Black-white wealth gap," Brookings, February 27, 2020, https://www.brookings.edu/blog/up-front/2020/02/27/examining-the-black-white-wealth-gap/.
- ⁶ Alice Korngold, *A Better World, Inc.: How Companies Profit by Solving Global Problems...Where Governments Cannot*, (New York: Springer, 2014).
- ⁷ Ibid.
- ⁸ Alice Korngold, *Leveraging Good Will: Strengthening Nonprofits by Engaging Businesses*, (San Francisco: Jossey-Bass, 2004).
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- ¹² Alice Korngold, *Leveraging Good Will: Strengthening Nonprofits by Engaging Businesses*, (San Francisco: Jossey-Bass, 2004).
- ¹³ Isabel Wilkerson, Caste: The Origins of Our Discontent, (New York: Random House, 2020).
- ¹⁴ Asylum Access, "Building Equitable Partnerships: Shifting Power in Forced Displacement," 2021,

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- ¹⁵ Interview with Emily Arnold-Fernandez, December 16, 2021.
- ¹⁶ Interview with Ayo Sanderson Wilson, December 21, 2021.
- ¹⁷ Isabel Wilkerson, Caste: The Origins of Our Discontent, (New York: Random House, 2020).
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- ¹⁹ Alice Korngold, "Achieving Racial Equity is Integral to Sustainability," Presidio Graduate School, November 2, 2020, https://www.presidio.edu/blog/achieving-racial-equity-is-integral-to-sustainability/.