

# DEI and Grant Making Project W

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# Definitions

## Diversity

**The visible and invisible differences people bring to work that make up who they are**

## Inclusion

**Being invited to participate and having a place at the table**

## Equity

**Fairness—providing access to the same level of opportunity**

## Belonging

**A strong sense of acceptance and identity**

# Diversity, inclusion, equity and belonging

**“Diversity is being invited to the party, Inclusion is being asked to dance.”- Verna Myers**

**“Equity is ensuring everyone has appropriate transport to the party”- Nadia Craddock**

**“Belonging is dancing like no one is watching.”- Sarah Ellis**

# Identity and social power

**Dominant Group Members (insiders) share the following:**

- They are considered normal
- The world is organized to benefit them, and suit their needs
- Their life is considered 'just the way things are.'
- They make the rules, and determine what is right and wrong, normal and abnormal
- They are able to control and allocate resources
- They have advantages and privileges that they did not earn by their deeds, but merely by virtue of their group identity

**Those in the Subordinated Group (outsiders) share the following:**

- They are considered different or somehow less than
- They have to find a way to accommodate themselves to the world the way it is structured.
- They adapt to the rules, or face consequences.
- They may be treated as invisible or unimportant
- They have a harder time accessing resources, or controlling their own options.

# Systemic inequity

- ▶ The impact of intended and unintended bias in economic opportunity, education, public policy, access, programs, services and other societal structures.
- ▶ Deeply rooted
- ▶ Rarely questioned
- ▶ Usually justified as “that’s the way it is” or “it’s always been that way”

# Impacts of racial inequity

- ▶ There are only 5 Black CEOs in the Fortune 500
- ▶ Black people are 17.7% of the population but account for 23% of the Covid19 deaths
- ▶ Black people have higher unemployment (16.8%) than White people (12.4%)
- ▶ Median income for Blacks is ~\$40k and for Whites is ~\$68k
- ▶ Black men are 2.5 times more likely to be killed by police than White men
- ▶ Blacks are 13% of the population and 38% of incarcerated inmates; Whites are 61% of the population and 34% of incarcerated inmates

# Current state

- ▶ 92% of foundation CEOs are white
- ▶ 89% of foundation boards are white
- ▶ Only 7-8% of foundation funding goes specifically to people of color
- ▶ Loans are denied to 42% of minority owned firms, but denied to only 16% of white owned firms
- ▶ Only 1% of VC funding goes to African American and Latino entrepreneurs.

# Implicit bias in grant making

Even when people explicitly and consciously support fairness, nonconscious processes can undermine their intentions through implicit bias.

Our unconscious beliefs simultaneously help to form and are formed by structures and the environment.  
Implicit biases therefore influence the types of outcomes we see across a variety of contexts...

...racialized outcomes subsequently reinforce the very stereotypes and prejudices that helped create the stratified outcomes and conditions.

# Implicit bias in grant decisions

**IN GROUP**

**ANCHORING**

**STEREOTYPE**

**CONFIRMATION BIAS**

**ZERO RISK**

**BANDWAGON**

# Impacting outcomes

Racial bias—both personal and institutional, conscious and unconscious—creeps into all parts of the philanthropic and grantmaking process. The result is that nonprofit organizations led by people of color receive less money than those led by whites, and philanthropy ends up reinforcing the very social ills it says it is trying to overcome.

# Risk factors for bias in grant making

- ▶ **Emotional states** (happiness, anger, dislike) can exacerbate bias in judgments
- ▶ **Ambiguity**, when the basis for assessment is somewhat vague and involves discretion or is new/unfamiliar it is more subject to bias
- ▶ **Social categories** can trigger assumptions and stereotypes based on race or other social identity factors
- ▶ **Low effort assessment**, when individuals do not think deeply about the application this can cause them to rely on stereotypes or biased thinking
- ▶ **Complex application** cases can open the door for bias creep
- ▶ **Lax accountability** for outcomes can open the possibility for bias

# DEI in grant discussions

1. Prepare: work on you
2. Be clear about the objective of the conversation
3. Assume positive intent—put aside your judgments and biases
4. Accept the risk of being uncomfortable
5. Engage in dialogue, not debate and be open to being challenged
6. Accept that yours is not the only truth, be open to other perspectives
7. Ask good, open questions
8. Don't just hear—truly listen and learn
9. Give and receive grace
10. Bring closure to the conversation—how will you move forward?

# In closing

When board members, employees, donors, and others who shape the values and activities of a nonprofit come from a wide array of backgrounds, they bring unique perspectives that influence how the nonprofit approaches its mission in more inclusive and innovative ways.

National Council of Non-Profits