OVERCOMING BARRIERS TO ETHNIC DIVERSIFICATION OF THE BOARD:
A FUNDRAISING ARGUMENT

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ABSTRACT

This research explores current research on board roles and ethnic diversity, the board’s relationship to the success of the organization, diversity’s impact on team process and product, ethnic participation in American philanthropy, barriers to board diversification, as well as primary data from large arts organizations in major metropolitan areas. Through a comprehensive review of the literature as well as a survey sent to 74 major arts organizations in diverse communities in the United States, this research concludes that although fundraising is a barrier to diversification, it is likely not the primary barrier.

While the topic of diversity is widely discussed in the nonprofit field, actual implementation of ethnic diversity on boards is severely lacking (Nonprofit Governance Index 2012). According to BoardSource, 82 percent of American nonprofit board members are Caucasian with nearly 30 percent of boards composed solely of Caucasian people (Nonprofit Governance Index 2012, 9). Also from BoardSource, “at best, one in five boards has made concerted efforts to increase board diversity” (Nonprofit Governance Index 2010, 30). This is in stark contrast to the fact that minority populations are increasing at a greater rate than Caucasians (US Census Bureau 2010e).

This research also makes a case for organizations to invest in ethnic diversity on their boards through the lens of fundraising. As communities become more ethnically diverse, donors will also become more diverse, and securing diverse board members will become a key way to
attract ethnically diverse donors. The results show that diversifying a board takes a great deal of
time and investment, but will yield excellent results on multiple fronts if managed well.
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CHAPTER 1

INTRODUCTION

While the topic of diversity is widely discussed in the nonprofit field, actual implementation of ethnic diversity on boards is severely lacking (Nonprofit Governance Index 2012). According to BoardSource, 82 percent of American nonprofit board members are Caucasian with nearly 30 percent of boards composed solely of Caucasian people (Nonprofit Governance Index 2012, 9). Also from BoardSource, “at best, one in five boards has made concerted efforts to increase board diversity” (Nonprofit Governance Index 2010, 30). This is in stark contrast to the fact that minority populations are increasing at a greater rate than Caucasians (US Census Bureau 2010e). In a keynote speech at American University, Aaron Dworkin, Founder and President of Sphinx, particularly focused on arts organizations, stating, “the lack of diversity in the arts is so acute that nobody can deny it’s an issue” (2013).

Current research and practice-based wisdom recommends that boards should be diverse, although ethnic diversity is not always specified. Different types of diversity can affect a board’s effectiveness in different ways. For instance, Siciliano found that occupational diversity was related to better fundraising results, while gender diversity was negatively associated with fundraising results (1996, 1313). Despite the “trade-offs” that may be involved with board diversification, there are other broader arguments for board diversity (Callen et al. 2010, 122). Nonprofit researchers suggest having a diverse board sends the message that the board is working on the behalf of its constituency, which is unlikely 80 to 100 percent white (e.g. Carver 2006; Odendahl and Díaz in Burbridge et al. 2002; Robinson 2001). Some research also recommends diversity regardless of constituent representation because diversity brings “new insights and perspectives” into the boardroom, leading to more quality decision-making (Brown 2005, 324).
This research explores the prominence of fundraising capacity as a barrier to the ethnic diversification of large nonprofit arts boards. The relationship of board diversity to fundraising is tangential, but important. It is common that as an arts organization becomes established and continues to grow its budget, its board also grows (Mathiasen 1990). One of the reasons this happens is so that an organization can bolster its fundraising through board donations and connections (Mathiasen 1990). Because fundraising is an essential role of the large nonprofit arts board (e.g. Brown and Guo 2009; Callen et al. 2010; Mathiasen 1990), it is important to understand what ethnic diversity can do for or to the organization’s fundraising.

Because of the relatively little research on how board diversity affects the board, this research also addresses how ethnic diversity in any group affects a group’s performance. Overall, research shows that a team’s composition is related to its processes and outcomes, although conclusions are not uniform. The research clearly shows that increased diversity can help a team’s process and performance, but it will not always happen automatically. In fact, team members’ attitudes regarding diversity were consistently linked to the outcomes (Brown 2002b; Chatman et al. 1998; Ely and Thomas 2001). This suggests both that proper management of diversity can encourage positive outcomes and that neglecting to manage diversity can lead to poor outcomes.

One way to make the argument that boards should be more diverse is to point out that different ethnicities are interested in fundraising and board service. Ethnic participation in philanthropy is robust, if somewhat different than white or traditional participation. The research in this vein is also outdated and inconsistent, but it does show some consistent findings. Most important for this paper is that African Americans, Asian Americans, Hispanics, and Native
Americans value a personal connection when giving a gift. For these populations, being solicited by people they personally respect encourages giving. One way to ensure the personal connection is to have board members who are familiar with the constituents of the organization. For instance, if an Asian American sits on a board, there is a chance they have networks in Asian American communities that are served by the organization. Even if every prospective Asian American donor does not respect that particular board member, it is much more likely that he would have connections to other respected community leaders than would a Caucasian person. Diversifying the board is a good way of extending the organization’s reach in new communities.

The fact that nonprofit boards are overwhelmingly white suggests that even though research supports diversification, there are significant barriers to the process. The research as a whole suggests that insular recruitment practices, a board culture of exclusivity, lack of genuine commitment, lack of self-awareness, and financial concerns are the major barriers to diversification. Of these, recruitment practices and a board culture of exclusivity are the primary issues.

**Definition of Terms**

For the purpose of this research, I will use the following definitions:

- **Diversity:** “A mix of people in one social system who have distinctly different, socially relevant group affiliations” (Cox, Jr. and Beale 1997, 1).

- **Surface-level diversity:** “Differences among team members in overt demographic characteristics…Such characteristics, including age, sex, and race/ethnicity, are often reflected in physical features” (Harrison et al. 2002, 1030).

- **Social category diversity:** “Explicit differences among group members in social category membership, such as race, gender, and ethnicity” (Jehn et al. 1999, 745).

- **Deep-level diversity:** “Differences among team members’ psychological characteristics, including personalities, values, and attitudes” (Harrison et al. 2002, 1031).
- Functional diversity: There are three subsets of functional diversity: “(1) diversity in the different functional areas within which team members have spent the greater part of their careers (dominant function diversity), (2) diversity in the complete functional backgrounds of team members (functional background diversity), and (3) diversity in team member functional assignments (functional assignment diversity)” (Bunderson and Sutcliffe 2002, 878).

- Informational diversity: “Differences in knowledge bases and perspectives that members bring to the group. Such differences are likely to arise as a function of differences among group members in education, experience, and expertise” (Jehn et al. 1999, 743).

**Typology**

Diversity seems to be defined more and more loosely, as one definition may not work for every group (Boyers 2012; Gazley et al. 2010). Daan van Knippenberg and Michaëla C. Schippers recognized that much of the focus of current research is on “demographic diversity and diversity in functional and educational background” but then they suggest that “many other dimensions of diversity may influence group process and performance, and therefore deserve research attention” (2007, 521). Similarly, BoardSource suggests that “by focusing on defining board diversity in terms of skills and aptitude, a board can create a structure for matching organizational needs with acceptable candidates” (2012). Janet Boguch writes, “there is no one right definition of diversity for nonprofit boards. I often use the word ‘diversities’ with my clients to get them to consider the broadest definition possible” (2005). These broad definitions extend the conversation around diversity beyond skin color, age, or other visible traits. The problem with this type of definition is that it is so broad that it also allows boards to ignore many of the most basic types of diversity, such as age and ethnicity, because they have a diversity of skills.

In 2001, “The Association of Fundraising Professionals Diversity Committee define[ed] diversity as ‘1. The quality or state of being different. 2. The quality or state of encompassing
people of a different race, ethnicity, gender, religion, physical ability, age, sexual orientation and income as regards to the composition of staff and board”’ (Quoted in Gitin 2001, 80). Today, the same organization sets this definition: “Diversity and Inclusion in Fundraising – seek to achieve a broad representation of experiences, perspectives and cultures to ensure that the best possible thinking, ideas, opportunities and solutions are considered; intentionally create a respectful and welcoming environment that is open to all; and appreciate the unique contributions of every member of the community” (Association of Fundraising Professionals 2012). This shift in definitions is subtle, but it represents the move towards a broader definition of diversity.

Deborah Foster, Executive Vice President of United Way of America defines the goal of diversification as “to respect and appreciate race, religion, skin color, gender, nationality, sexual orientation, gender identity, physical abilities, age, parental status, work and behavioral styles, and the perspective of each individual shaped by their nation and experiences” (2006). The most encompassing definition comes from van Knippenberg et al.: “Diversity refers to differences between individuals on any attribute that may lead to the perception that another person is different from self. In principle, diversity thus refers to an almost infinite number of dimensions, ranging from age to nationality, from religious background to functional background, from task skills to relational skills, and from political preference to sexual preference” (2004, 1008).

The definition that will be used for this research is: “a mix of people in one social system who have distinctly different, socially relevant group affiliations” (Cox, Jr. and Beale 1997, 1). The “socially relevant” aspect of this is important. “For example, people differ in shoe size, but the social importance of this is very limited compared to, say, political party or occupation” (1).

Researchers attempt to categorize the different types of diversity in many different ways. It’s important to understand the different categories because, “while potentially controversial, it
may be quite desirable for a nonprofit board to be exclusively homogeneous on one dimension yet diverse on others” (Miller 1999, 5). One instance where this might be appropriate would be a women’s foundation that made the decision not to include men on its board. The most common categorizations of diversity are based on whether traits are visible or not (e.g. Fletcher 1999; Gazley et al. 2010; Gitin 2001; Horwitz 2005).

“Surface-level diversity” describes immediately visual attributes (Horwitz 2005, 221). Similarly, Milliken and Martins differentiate between “observable or readily detectable attributes” such as ethnicity, age, gender, ability and “less visible or underlying attributes” such as religion, sexual preference, and socioeconomic status (1996, 403). Jehn et al. write about “social category diversity,” which “refers to explicit differences among group members in social category membership, such as race, gender, [and] ethnicity” (1999, 745). This differs slightly from surface-level or observable diversity because social category membership could also include sexual preference, religion, or political beliefs, which are less visible but still part of a self-identified social category.

The opposite of this is termed “deep-level diversity,” which describes differences in beliefs and values (Horwitz 2005, 221). This could include differences in political beliefs or religion. Jehn et al. also address this category in their research, but they call it “value diversity” (1999, 745). Among these less visible categories, Gitin recommends that private identities should be considered, “such as recovering alcoholic, incest survivor, and other identities that affect us profoundly while not being obvious to others” (2001, 80). Other researchers also suggest that differences in personality traits should be considered a part of diversity discussions (van Knippenberg and Schippers 2007, 521).
Another category of diversity refers to background and experience. This is often called “functional diversity” (Bunderson and Sutcliffe 2002, 878). Jehn et al. use the term “informational diversity” to encompass “differences in knowledge bases and perspectives that members bring to the group” (1999,743). Functional diversity includes differences in occupation, education, and skills.

The categories of diversity are not perfect. No one dichotomy (surface-level vs. deep-level) encompasses all the different types of diversity. However, the easiest way to categorize is based on the visibility of traits, a distinction that is important because “when differences between people are visible, they are particularly likely to evoke responses that are due directly to biases, prejudices, or stereotypes” (Milliken and Martins 1996, 404).

Miller appropriately writes, “diversity is an abstract concept” (1999, 5). It is important to be clear about what type of diversity is being studied, however, because different traits have different effects on nonprofit boards (Siciliano 1996). For instance, Siciliano’s research found that gender diversity led to “a negative association…for levels of funds raised,” while age diversity was “linked to higher levels of donations” (1996, 1313). Also, boards are making gains on some levels and not on others (Nonprofit Governance Index 2012). BoardSource measures gender, age, and racial diversity on nonprofit boards in the United States with its Nonprofit Governance Index. The current distribution of gender and age is more equitable than race or ethnicity, by a good margin (10). This discrepancy is why this research focuses on ethnicity alone.

**Significance of Research**

Current research regarding board diversity is inconsistent, usually outdated, and difficult to find. This research pulls together claims of ethnic diversity’s benefits from different academic
fields to collectively make the argument that ethnic diversity is beneficial to a board. By drawing on a wide variety of existing research and applying independent research, the author explores the arguments for and barriers to the ethnic diversification of boards through the lens of fundraising. This research can be used to encourage nonprofit boards become more ethnically diverse by helping them understand the true benefits of diversity while also preparing them for the many issues that may arise.

Methodology

In addition to a complete literature review, a brief online survey was sent to 74 nonprofit arts organizations with budgets at or exceeding ten million dollars. The survey was only sent to organizations in Atlanta, New York, Houston, Chicago, Dallas-Fort Worth, DC Metro Area, Los Angeles, Miami, and San Francisco, based on research conducted at Pennsylvania State University ranking the most diverse metropolitan areas in the United States (Lee et al. 2012). The budget size was chosen because BoardSource categorizes its largest organizations at or above ten million dollars in its 2012 Nonprofit Governance Index (5). The survey cover letter and body are included in Appendices A and B. The survey was initially e-mailed March 14, 2013 and closed April 18, 2013. One reminder e-mail was sent March 22, 2013. 11 responses were collected from the survey at a response rate of 15 percent.
CHAPTER 2

THE BOARD

Given the remarkably rapid growing rate of diversity in the United States, it is alarming that, as of 2012, “nearly 30 percent of all nonprofit boards [are] composed of solely Caucasian people” (*Nonprofit Governance Index* 2012, 9). This is even more surprising given the attention that has been paid to board diversity. Board diversity has become a hot topic in nonprofit literature (e.g. Boyers 1995; Copeland-Carson 2005; *Nonprofit Governance Index* 2010, 2012), but this has not led to actual diversification around race and ethnicity. The ethnic composition of boards has not changed much since 1993 (BoardSource in Walker and Davidson 2010, 5).

According to BoardSource, 63 percent of nonprofits “incorporated diversity into the organization’s core values,” (*Nonprofit Governance Index* 2012, 18) yet 82 percent of board members are Caucasian (9). BoardSource also found that “at best, one in five boards has made concerted efforts to increase board diversity,” (*Nonprofit Governance Index* 2010, 30) even though 41 percent of those boards have written diversity statements (28), which often detail a board’s definition of and commitment to both organizational and board diversity (Walker 2009).

Nonprofit researcher Francie Ostrower also concluded that boards “are not resisting the inclusion of minorities (who fit their class criteria), but neither are they making the level of effort that they claim” (2002, 59).

Although researchers do not always offer explanations for the lack of ethnic diversity on nonprofit boards, they do offer some findings that can be helpful to our understanding of the current situation. De Vita and Roeger found that “nonprofits with larger budgets are more likely than those with smaller budgets to have people of color on their boards” (2009, 10). But a larger *board size* is correlated with decreased ethnic diversity on the board (De Vita and Roeger 2009, 2010; Ostrower 2007). The size of the organization and the size of the board are not necessarily
correlated. De Vita and Roeger also found that “although all groups of color are underrepresented in the sector (Baltimore-Washington area), Latinos are the most underrepresented” (2010, 24). This is not a problem only for mainstream nonprofit organizations. Ostrower found that even among nonprofits serving primarily minority constituencies, there are a significant number of boards that have no minority representation on the board (2007, 18).

This extreme lack of diversity on today’s nonprofit boards makes it more difficult to study because there are not many examples to work from. This does not mean that questions are not being asked, merely there isn’t enough statistical information for quantitative research. As a case in point, Siciliano had to drop ethnicity from her analysis of 240 YMCA organizations because “96 percent of the board members were Caucasian” (1996, 1315). And, specific to this research, nonprofit arts organizations have been found to have the least ethnically diverse boards (Abzug et al. 1993; De Vita and Roeger 2009, 2010). This points to the need for further research in the field but also to the limitations of secondary research given the few workable examples.

Is a Good Board Ethnically Diverse?

Who serves on the board can have an impact on the organization as a whole (e.g. Brown 2005; Callen et al. 2010; Gardyn 2003; Gazley et al. 2010; Siciliano 1996). Callen et al. importantly note, however, “that various decisions that organizations make concerning the structure and composition of their boards involve trade-offs. Characteristics that help the board's monitoring role may be associated with weaker ability to raise resources. The presence of staff on the board, or the size of the board are examples” (2010, 122). They also found that “the impact of various board characteristics on organizational performance is contextual” (122). For instance, they found that “the coefficients on certain board characteristics associated with
resource dependencies (board size and donor presence on fundraising committees) are significantly greater for less stable nonprofits than for more stable nonprofits” (123).

Siciliano’s research also showed that different aspects of board composition affected different aspects of organizational performance:

Results revealed higher levels of social performance and fundraising results when board members had greater occupational diversity. Gender diversity compared favorably to the organization's level of social performance but a negative association surfaced for level of funds raised. The diversity in board member age groupings was linked to higher levels of donations. (1996, 1313)

Callen et al. found a strong association between the presence of major donors on the board and organizational efficiency, but noted that causality could not be established (2003, 493).

In spite of the “trade-offs” mentioned by Callen et al. (2010, 122), most research and practical guidance on nonprofit boards suggest that a good board should comprise diverse members (e.g. Brown 2002b; Nonprofit Governance Index 2010; Ostrower 2007; Robinson 2001). A small amount of research suggests that the demographic composition of the board has little or no effect on the board’s performance (Van der Walt et al. 2006; O’Regan and Oster 2005). Much of the research reports that board members view diversity as important (e.g. Fletcher in BoardSource 1999; Nonprofit Governance Index 2010; Ostrower 2002). Thoughts about board diversity generally come from three different points of view: researchers, board members, and staff members.

In Benefiting from Diversity, BoardSource writes, “boards are expected to represent an organization’s constituency” (BoardSource 2012). Along these same lines, John Carver says: “Boards need to work on behalf of the ownership. Ownership input – in all its diversity – is the only morally defensible foundation for board decisions” (Quoted in BoardSource 2012). Carver goes on to argue that “the need for diversity is driven by representational integrity” (Carver 2006, 276). William Brown found that a higher percentage of minority members on a board was
positively associated with political orientation (2002b, 50). Odendahl and Díaz also suggest that “the overwhelming rationale for diversity is to reflect constituencies served” (in Burbridge et al. 2002, 101). BoardSource suggests a more holistic rationale for diversification: “The chief reason for developing a heterogeneous board is to promote exploration of a wider range of ideas and options, to reach forward-looking decisions, and to better represent community needs and interests” (2010, 104).

Maureen Robinson, a highly regarded boards expert, claims that “the list of board members, and their identifiers – gender, nationality, race, ethnicity, profession, community status, prestige – tells a story about what the organization values and therefore wants to possess in its leadership body” (Robinson 2001, 38). BoardSource similarly claims that “people will consciously or unconsciously draw conclusions about what an organization stands for based on the composition of its board,” suggesting that a racially and ethnically diverse board will send a positive message in a diverse community (2010, 105). Although not specifically addressing ethnic diversity, Abzug and Galaskiewicz similarly claim, “board members come to represent the organization and become a basis for its legitimacy claims. The composition of boards, then, is of central importance to nonprofits” (2001, 51). Further, “high levels of ethnic homogeneity on many boards raise questions about nonprofit boards’ ability to be responsive to the diversity of the constituencies served by their nonprofits” (Ostrower 2007, 3). For instance, a black trustee interviewed by Francie Ostrower claimed that the lack of diversity on the board was limiting the board’s ability to do outreach in minority communities (2002, 61). Aaron Dworkin claims that for arts to be relevant in today’s society, they need to ethnically represent the community (2013). Likewise, if boards want to be relevant to their communities, it is important that they be somewhat representative. BoardSource suggests that board members can contribute to an
organization’s communications and outreach by “contributing diverse perspectives that reflect audience needs and interests” (2010, 214). Michael Kaiser, Executive Director of The John F. Kennedy Center for the Performing Arts, writes that “adding diverse representatives can help the organization understand and address the needs of the relevant communities” (2010, 24). He specifies that this does not happen purely by bringing minority members onto the board, but requires those minority members to actively make connections between the organization and his/her community (24).

Many board members also connect board diversity with an organization’s ability to fulfill its mission. Ron Lutz, a healthcare executive and a board member of Dallas Challenge claimed that “the board’s homogenous makeup was harming the charity’s ability to carry out its mission” (in Gardyn 2003, 1). Similarly, Dionne Muhammad, the president of Celebrity Personal Assistants in Atlanta and board member of the Boys and Girls Clubs of Metropolitan Atlanta claims that “a diverse board can heighten a charity’s credibility” (in Gardyn 2003, 2).

BoardSource also promotes “diversity for the sake of diversity, even without pointed constituent representation” suggesting that diversity can help a board be more innovative and also because it can “set an example” for the rest of the organization (2012). BoardSource finds that diversity on a board prevents near-sightedness by “breed[ing] varying opinions, approaches, attitudes, and solutions” (2012). Brown also suggests “that increased board member diversity relates to organizational performance by providing boards with new insights and perspectives” (2005, 324). Similarly, Gazley et al.’s research concludes, “board diversity as it relates to stakeholder diversity may offer an additional source of collaborative capacity” (2010, 618). Additionally, Walker and Davidson write that “in order to function at the highest level, nonprofit boards need to ensure that their members represent diverse points of view” (2010, 2). While not
specifically addressing ethnic diversity, Chait et al. discuss the importance of having different types of capital on the board (2005, 141). They break it down into intellectual, reputational, political, and social capital and claim that “the assets of a highly capitalized board should be balanced and diversified” (140).

Quantitative research shows an inconsistent relationship between board diversity and board performance. William Brown’s research supported his hypothesis that racially diverse boards perform better than non-diverse boards (Brown 2002b, 50). O’Regan and Oster, however, found no systemic relationship between board personal demographics and performance (2005, 205). Van der Walt et al. also found that while “the fact that diversity does not necessarily enhance the performance of the board when measured in terms of specific outcomes, they (research findings) may also indicate the fact that the board may not be able to influence the actual performance of the organization” (2006, 144). The researchers might agree that if boards do not have influence over organizational performance, they also do not influence organizational fundraising capacity. But their research addresses corporate boards in New Zealand, which may account for the difference in findings from nonprofit research (129).

When analyzing the applicability of the quantitative research, Brown’s (2002b) research most closely aligns with that of this paper. Brown specifically addresses racial diversity on nonprofit boards (Brown 2002b), while O’Regan and Oster only address age, gender, and occupation when researching the effects of individual demographics on board behavior (2005, 221). Finally, Van der Walt et al.’s research sample makes their conclusions less relevant to this research (2006, 129). This suggests that while all types of diversity may not uniformly affect all types of boards, it is more likely than not that ethnic diversity has a positive impact on nonprofit board performance.
According to the 2010 *Nonprofit Governance Index*, “ethnic diversity rated as highest priority, highest value to mission, and least satisfaction” by chief executives (29). In her in-depth research of four major arts institutions, Ostrower found that “members of all four boards, characterize diversity as something they support, believe is important, and regard as an increasingly necessary focus of attention” (2002, 39). The elite board members interviewed cited visibility, the changing population, and doing the right thing as reasons for diversification (39). She follows this up saying that all four boards were also “overwhelmingly white” (39). Similarly, in 1999, board leaders “felt that achieving diversity was the right thing to do for both ethical and business reasons, they also saw that establishing a diverse board indicates that the organization cares about and is supported by the entire community” (Fletcher in BoardSource 1999, 18).

In contrast to O’Regan and Oster (2005) and Van der Walt et al. (2006), in a study of 240 large not-for-profit organizations in Canada, Bradshaw et al. found that the respondents with the most diverse boards also perceived themselves as more effective (2009, 3). Brown also concluded that the “most important predictor of board performance was the board’s awareness about diversity.” (2002b, 51). In this instance, board performance was defined using a 42-question self-assessment survey of executive directors addressing the analytical, contextual, educational, strategic, interpersonal, and political dimensions of the board (49). These findings suggest that board member attitudes can actually affect the ability of a board to successfully diversify and perform (51).

Executive directors and staff members have strong beliefs about the benefits of having a diverse board (Brown 2002a; Burbridge in Joint Affinity Groups 2002; *Nonprofit Governance Index* 2010). Burbridge reported that 66.2 percent of foundation employees agree or strongly agree that board diversity is the most important area for foundation improvement (Burbridge in
Joint Affinity Groups 2002, 70). Research also shows that ethnic diversity is perceived to be more valuable to organizational mission by executive directors than both age and gender diversity (Nonprofit Governance Index 2010, 30). Further, executive directors are the least satisfied with their board’s ethnic diversity in comparison to both age and gender (29). This shows that executive directors believe that ethnic diversity on the board is important to their organization, yet there is little satisfaction with the extent to which their boards have diversified. Brown interviewed an executive director who claimed that racial diversity on his board “was good for design of programming, but not for fund development” (Brown 2002a, 380).

Despite the research, which consistently recommends increased board diversity, BoardSource found that “only 20 percent of boards have reached consensus to a great extent about the value of expanding board diversity. 26 percent have reached no consensus at all” (Nonprofit Governance Index 2010, 30). Brown claims that “understanding how inclusiveness, diversity, and other board practices relate to board performance is critical” (2002a, 383). Hopefully increased understanding of exactly how diversity affects board performance would help practitioners with implementation.

The Board’s Role in Fundraising

BoardSource writes, “fundraising is embedded in expectations for most boards” (2010, 12). Researchers, board members, and staff all hold this as an expectation (e.g. Callen et al. 2010; Carver 2006; Gitin 2001; Nonprofit Governance Index 2010; Ostrower 2007). BoardSource goes as far as to say that “fundraising begins with the board, because board members hold the level of understanding and commitment necessary to fulfill the organization’s mission” (2010, 167). Very little research questions that the board has a role in fundraising, but
the extent to which they should be involved is debated (e.g. Carver 2006; Gitin 2001; Mathiasen 1990; Ostrower 2007).

In her guide to board management, Jan Masaoka claims that board members have two essential roles in fundraising. They should approve revenue strategy and each individual must help implement the strategy in some way (2009, 211). She goes on to claim that “board member fundraising helps keep the organization independent – but accountable to the community – in a way that no other funding vehicle can” (218). Similarly, Francie Ostrower lists fundraising as part of the “board’s basic responsibilities” (2007, 12). Chait et al. also list fundraising, along with advocacy and community relations as part of the “official duties” of a board (2005, 22). Another nonprofit researcher, Karl Mathiasen discusses the lifecycle of a board, with the final cycle being that of an institutional board (1990, 12). He claims that at this stage, “fund-raising probably has now become a major, if not the principal, focus of the board’s activity” (12). This suggests that as a board grows larger and more mature, fundraising becomes a more essential part of their role. Similarly, Peter Drucker claims, “the board is the premier fundraising organ of a non-profit organization,” indicating a very direct relationship of the board to fundraising (Quoted in BoardSource 2010, 169). Karen Brooks Hopkins, President of Brooklyn Academy of Music (BAM) also noted that large board sizes are driven by fundraising (Hopkins, pers. comm.)

Aside from the dictum that boards should fundraise, researchers suggest that boards can contribute to fundraising efforts either indirectly or directly (Callen et al. 2010; Carver 2006; Gitin 2001; Ostrower 2007). Indirectly, boards can create “an environment that attracts philanthropy, developing skills that generate philanthropy, and building an infrastructure to sustain philanthropic activity” (Gitin 2001, 79). Carver also writes that “the board’s challenge is to make sure there is enough philanthropic funding to keep the organization afloat” (Carver
He goes on to suggest that fundraising can be an important part of a board’s role, but does not necessarily have to be (323). Similarly, Callen et al. suggest board fundraising is both indirect and direct as the board’s function is to “enhance the nonprofit’s ability to raise resources particularly, direct contributions” (2010, 122). BoardSource recommends that boards engage both in indirect and direct fundraising (2010, 170).

Board members and staff also see board fundraising as key to organizational success. Ostrower found that “more than any other role, generating funds was clearly, consistently, and uniformly highlighted as critical by trustees of all four boards” (2002, 63). Similarly, 66 out of 121 community foundation executives surveyed identified fundraising as the foundation board’s number one role (Brown and Guo 2009, 539). They described the board’s role in fundraising “as facilitating and negotiating optimal relationships that support the growth of assets in the foundation” (539).

Moving beyond the board’s identified role, several researchers have sought to determine what boards are actually doing with regard to fundraising (Bell et al. 2006; Callen et al. 2010; Nonprofit Governance Index 2010; Ostrower 2007). Callen et al. found that boards are more effective fundraisers when an organization is unstable (2010, 122-123). This is presumably because fundraising is most needed when an organization is unstable. In their most recent national survey, BoardSource found that a higher percentage of large boards require personal contributions from board members (Nonprofit Governance Index 2012, 26). Large boards also have the highest average percent of board members giving personally (26). Alternatively, in their survey of 1,602 nonprofit organizations, the Nonprofit Research Collaborative found organizations with budgets from one to three million dollars had the highest percentage of board giving, but organizations with budgets above ten million dollars had the highest percentage of
boards that had a set minimum gift (2012, 6). And the largest minimum required gift for organizations with budgets above ten million dollars was an extraordinary $100,000 (6).

BoardSource’s survey also found that 53 percent of executives and 54 percent of board members list fundraising as the most important area in need of improvement (Nonprofit Governance Index 2012, 8). In an earlier national survey, Ostrower shows that “most respondents rated their boards as doing a ‘good’ or ‘excellent’ job in all areas except fundraising” (2007, 12). And in a survey of 1,932 nonprofit executives across the country CompassPoint and the Meyer Foundation found:

73 percent of executives chose stronger fundraising as the board improvement that would be the most helpful to them; no other board role or contribution got even ten percent of responses. And executive focus on board fundraising appears to be universal; these responses did not vary at all by organization size. (Bell et al. 2006, 11)

Also important for this research, Ostrower found that, when looked at alone, arts boards are “significantly more likely to be actively engaged in fundraising” because they rely heavily on private funding (2007, 17). But when arts nonprofits were compared to nonprofits with similar structures, arts boards underperformed with regard to fundraising (17).

The Nonprofit Research Collaborative also emphasizes the role of fundraising on today’s nonprofit boards, but questions its importance. Their survey found that “gifts from board members accounted for one to ten percent of all philanthropic contributions received by the organization [surveyed] in 2011,” suggesting that board member giving is only a small portion of the organization’s fundraising (2012, 8). This challenges Michael Kaiser’s belief that “organizations with boards that do not help with fundraising virtually never succeed over a long period of time” (2010, 18).
Conclusion

The above research shows that board diversity impacts board performance on four levels. According to Ostrower, board diversity can impact a board’s ability to engage its community (2002, 61). Also, board diversity sends a message about a board’s values (e.g. Abzug and Galaskiewicz 2001; Brown 2002b; Fletcher in BoardSource 1999; Ostrower 2007). On this level, physical representation of the community on the board lends accountability to the board’s work and intentions (e.g. Carver 2006; *Nonprofit Governance Index* 2010; Odendahl and Díaz in Burbridge et al. 2002). Board diversity can also impact overall governance (e.g. Brown 2002b; Chait et al. 2005; *Nonprofit Governance Index* 2010; Ostrower 2007; Robinson 2001).

Specifically, BoardSource claims that diversity on a board fosters better decision-making (2012). Finally, although there is significantly less research in this regard, board diversity has some relation to fund development (Callen et al. 2010, 123; Siciliano 1996, 1313). Arguably, fundraising is the one area (of community engagement, accountability, and governance) that the board has the most direct influence because they can do it themselves. BoardSource suggests that “as primary advocates and vested donors who are committed to the organization, board members are in the best position to ask others to make gifts and to secure volunteers to seek gifts from others” (2010, 167). And because fundraising is a major responsibility of the nonprofit board (e.g. Callen et al. 2010; Carver 2006; Gitin 2001; *Nonprofit Governance Index* 2010; Ostrower 2007), this research seeks to explore the connections between board diversity and fundraising.
CHAPTER 3

THE EFFECTS OF ETHNIC DIVERSITY
ON TEAM PERFORMANCE

The research to date on the effects of diversity on team performance has been conflicting. Some research says that higher diversity leads to more tension and lower team morale, (e.g. Chatman and Flynn 2001; Pelled et al. 1999; Thatcher et al. 2003;) while other research shows that team heterogeneity leads to more quality decisions and higher morale (e.g. Cox et al. 1991; Hoffman and Maier 1961; Sommers 2006; Thatcher et al. 2003; Watson, Johnson, and Zgourides 2002). Often results are conflicted even within a single study as different types and amounts of diversity have different effects on different aspects of team process and performance (e.g. Bunderson and Sutcliffe 2002; Earley and Mosakowski 2000; Ely and Thomas 2001; Jehn et al. 1999; Mannix and Neale 2005; Milliken and Martins 1996). And a few studies were unable to find a link between diversity and team performance (Horwitz and Horwitz 2007; Umans et al. 2008; Watson, Kumar, and Michaelsen 1993). Relative consensus, however, shows that a team’s make-up does affect its processes and outcomes. One major take away from the research that has been found is that the nuances of diversity in each team and the way it is managed has a large impact on whether or not diversity will help or hurt a teams productivity.

Extant research measures the success of team diversity based on four areas: performance or final product, process, conflict, and learning. Measurements of team performance evaluate the quality of solutions and products at which diverse teams are able to arrive. Process describes how productive the decision-making process is. This includes the ability of diverse groups to correctly and accurately identify problems. Conflict describes the team’s cohesiveness and morale among group members. And learning measurements indicate how well team members learn from one another in the process of decision-making.
Diversity’s Effect on Teams

Performance

Diversity has been shown to increase team performance (Bunderson and Sutcliffe 2002; Earley and Mosakowski 2000; Hoffman and Maier 1961; Horwitz and Horwitz 2007; Jehn et al. 1999; Pitts 2005; Watson, Johnson, and Merritt 1998; Watson, Johnson, and Zgourides 2002; Watson, Kumar, and Michaelsen 1993). Bunderson and Sutcliffe found that intrapersonal functional diversity positively affected information sharing and performance (2002, 875). Pitts found that teacher diversity increased a pass rate on the Texas Assessment of Academic Skills, suggesting that diverse leadership has a positive impact on groups being led (2005, 626). Watson, Johnson, and Zgourides also found that ethnically diverse teams performed higher on team project tasks (2002, 1). Hoffman and Maier also found that the “greater the differences in perceptions among the group members, the higher the quality of their problem solving” (1961, 406).

Some research also shows that diversity leads to poor team outcomes, whether or not the group process is affected (Pitts 2005; Watson, Johnson, and Merritt 1998). Milliken and Martins’ review of the literature showed, “diversity in observable attributes has consistently been found to have negative effects on affective outcomes (e.g., identification with the group, satisfaction) at both the individual and group levels of analysis, suggesting the possibility that the deep-seated prejudices some people hold against people who are different from themselves on race and gender may be adding to the difficulty of interaction for these groups” (1996, 415-416). Watson, Kumar, and Michaelsen, however, found that over time, there was no difference between the quality of process or performance for homogeneous and heterogeneous groups (1993, 590). Horwitz and Horwitz also found that “…bio-demographic diversity was not significantly related
to team performance. Similarly, no discernible effect of team diversity was found on social integration” (2007, 987).

**Process**

Findings suggest that not only can diversity lead to higher team performance, it can also lead to better team processes (Earley and Mosakowski 2000; Ely and Thomas 2001; Hoffman and Maier 1961; Jehn et al. 1999; Mannix and Neale 2005; Milliken and Martins 1996; Sommers 2006; Thatcher et al. 2003; Watson, Kumar, and Michaelsen 1993). Watson, Kumar, and Michaelsen found that heterogeneous groups were better at “identifying problem perspectives and generating solution alternatives” (1993, 599). In their literature review, Milliken and Martins found that “diversity in observable attributes may affect the cognitive outcomes (number of alternatives considered, quality of ideas, degree of cooperation in complex tasks) in groups in potentially positive ways” (1996, 416). Also, Sommers’ research of racially mixed jury members showed that white participants “made fewer inaccurate statements when in diverse versus all-White groups” (2006, 606). Diverse groups also spent more time making decisions than homogenous groups, suggesting that “racially diverse groups may be more thorough and competent than homogenous ones” (608). Mannix and Neale’s literature review similarly found that “it has consistently been shown that individuals exposed to opposing minority views exert more cognitive effort, attend to more aspects of the situation, think in a divergent way, and are more likely to detect novel solutions or come to new decisions” (2005, 47).

As with team product, the research does not always show a positive relationship between team diversity and process. Diversity didn’t influence “process variables, such as group communication, conflict and effectiveness in problem solving” in Umans et al.’s research (2008, 243). These process variables also did not influence work outcomes (243). Chatman and Flynn
concluded, “greater demographic heterogeneity led to group norms emphasizing lower cooperation among student teams and officers from ten business units of a financial services firm” (2001, 956). Similar to Milliken and Martins’ 1996 research, Chatman and Flynn imply that this could be because of prejudice and assumptions of difference (971). They further suggest that “an increased emphasis on cooperative norms [as opposed to demographic diversity] may have enhanced their efficiency and effectiveness” (971).

Conflict

One might expect that even if diversity leads to better outcomes, it might lead to more team conflict because of differences in opinion and values. This is not necessarily the case, as Hoffman and Maier’s research shows that the “higher quality of solutions associated with group heterogeneity were not obtained at the sacrifice of their acceptance by the group members” (1961, 416). Further, Hoffman and Maier concluded, “even on problems designed to produce emotional conflict, the heterogeneous groups produced solutions that were better than or at least as good as those of the homogenous groups” (405). Earley and Mosakowski found that “after forming ways to interact and communicate, highly heterogeneous teams appeared to create a common identity” (2000, 45). Faultlines have also been shown to reduce conflict and increase morale and performance (Thatcher et al. 2003, 233). Jehn et al. also found that social category diversity, or “explicit differences among group members, such as race, gender, and ethnicity,” (1999, 745) positively affected group member morale (741).

Along with their positive findings, Earley and Mosakowski also found that “moderately heterogeneous groups showed many communication problems, relational conflict, and low levels of team identity” (2000, 45). Pelled et al. also came to the conclusion that increased diversity led to more emotional conflict and further, that task conflict was better for task performance than
emotional conflict (1999, 1). However, most of the research suggests that increased conflict is not a primary issue with regard to team diversity.

Learning

Another important effect found in the research is that increased diversity tends to lead to more learning within the group regardless of the quality of outcome (Ely and Thomas 2001; Mannix and Neale 2005; Milliken and Martins 1996). Ely and Thomas found that the process of embracing difference as valuing opportunities for learning “communicated to all employees that they were valued and respected and encouraged them to value and express themselves as members of their racial identity groups. These aspects of the way they functioned afforded opportunities for cross-cultural learning, which enhanced the group’s work” (2001, 265). Mannix and Neale’s literature review similarly found that while team outcomes might be better or worse after implementing diversity, in general diversity led to more learning (2005, 47).

Milliken and Martins found throughout the literature that “in addition to affecting the quality of task performance and members’ affective reactions, diversity can have important effects on organizational outcomes because the composition of some organizational groups has symbolic significance for both internal and external stakeholders” (1996, 417). Further, they found that diverse group members tend to communicate more formally and less often with each other, they communicate more frequently with people outside the group. The authors further suggest “diversity may allow a group to better fulfill any boundary-spanning role it might have as well as to manage relations with the outside constituents on whom the group depends for resources, information, and/or acceptance” (417). These findings suggest that the benefits or pitfalls of diversity are influenced by how members outside the group perceive the value of diversity and interact with the group.
In contrast, Ely and Thomas’ research found that for groups that were diverse because of a desire to reach multiple constituencies or markets, “interracial/interfunctional tensions…inhibit learning and people’s ability to be maximally effective at work” (2001, 265). This implies that the relational conflict caused by diversity in a team actually leads to worse outcomes. Ely and Thomas also found that when groups were diverse because of a desire to be fair, racial identity led to “apprehension for white people and feelings of powerlessness for many people of color. This made it difficult for people to bring all relevant skills and insights to bear on their work, thus compromising their ability to learn from one another and to be maximally effective” (266).

Influencing Factors

Aside from broad conclusions about diversity’s effect on teams, the available research suggests that several factors greatly influence the amount and type of effect diversity will have on a group. The amount of time a team works together often alters the effects of diversity on the product and process. The type of diversity in a team also affects different aspects of a team’s success. The amount of diversity also shifts power structures, which can affect the teams work product and process. And finally, the team environment describes the attitudes in the team regarding diversity and the overall goals of the team, such as find a good solution, learn from one another, or to reach out into the community more effectively.

Time

According to the research, negative impacts of heterogeneity on a group tend to fade over time (Chatman and Flynn 2001; Earley and Mosakowski 2000; Harrison et al. 2002; Pitts and Jarry 2009; Pelled et al. 1999; Milliken and Martins 1996; Watson, Johnson, and Merritt 1998; Watson, Kumar, and Michaelsen 1993; Zellmer-Bruhn et al. 2008). Earley and Mosakowski found that although initially both moderate and highly heterogeneous teams performed worse
and showed more tense team process than homogenous ones, by the end of their study, heterogeneous teams outperformed homogeneous teams (2000, 45). Pitts and Jarry found that the “negative relationship between ethnic diversity and organizational performance does indeed lessen with time and stability” (2009, 503). Milliken and Martins found that even the “negative affective outcomes of diversity in observable attributes appear to decrease with the amount of time that the group stays together” (1996, 415-416).

Watson, Kumar, and Michaelsen found in 1993 that time positively affected process and performance for both homogenous and heterogeneous groups, suggesting that if a homogenous group were outperforming a heterogeneous group at the beginning of a process, they would still outperform the diverse group at the end (590). In 1998, Watson, Johnson, and Merritt found that time affected a team’s performance, but the added time reduced diverse teams’ initial advantage (161). Similarly, Chatman and Flynn found that the effects of diversity on team performance faded over time, suggesting that ultimately diversity does not add or detract from a team’s quality (2001, 956). Also not claiming that the end result of diversification is positive, Zellmer-Bruhn et al.’s research showed that perceived work style similarity decreases over time (2008, 55). This suggests that any assumptions that dictate how a group interacts and performs lessen in their impact over time.

Type of Diversity

Ultimately, researchers don’t know what types of diversity make a uniform difference when looking at team process and performance (Mannix and Neale 2005, 43). However, most of the research suggests that ethnicity, as a visible difference, has the largest impact on work outcomes (Cox et al. 1991; Mannix and Neale 2005; Milliken and Martins 1996; Sommers 2006; Umans et al. 2008; Zellmer-Bruhn et al. 2008). Zellmer-Bruhn et al. found that ethnicity has the
largest impact on perceived difference, even though gender is also a type of social category diversity (2008, 53). Umans et al. also concluded that gender diversity did not lead to the same negative work outcomes as did racial diversity (2008, 243). In their literature review, Mannix and Neale concluded that race and ethnicity have the largest impact on team process and outcomes (2005, 47). Milliken and Martins also concluded, “greater negative effects have been found for diversity on race and gender than for diversity on age” (1996, 415).

One rationale for the findings that show social category diversity as having a large impact on work outcomes is that “groups that were diverse on age and ethnicity were more likely to perceive greater value incongruence, and this perception was more relevant than actual value incongruence” (Mannix and Neale 2005, 47). Earley and Mosakowski also found that “diverse measurements of heterogeneity over the three studies demonstrated the importance of team members’ perceptions” (2000, 46). Throughout the literature, Milliken and Martins also found that “the possibility that the deep-seated prejudices some people hold against people who are different from themselves on race and gender may be adding to the difficulty of interaction for these groups” (1996, 415).

Cox et al. suggest that ethnic diversity in particular brings different cultural behaviors that add value to work process (1991, 827-828). They discovered that “groups composed of people from collectivist cultural traditions,” such as Asians, Latin Americans, most Africans, Hispanics, Asian Americans, and Black Americans, displayed more cooperative behavior than “groups composed of people from individualistic cultural traditions,” such as northern and western Europeans and North Americans (827-828). In support of racial diversity, Sommers found that “racial composition also had clear effects on deliberation content, supporting the prediction that diversity would lead to broader information exchange” (2006, 606). Knouse and
Dansby suggest that status could be more of a predictor of success or failure than gender or ethnicity (1999, 491). They found that “groups that contain powerful higher status minorities or women tend to have less conflict than those with less powerful members of subgroups” (491).

Aside from social category diversity, task-related diversity or differences in professional background impacted team performance (Bunderson and Sutcliffe 2002; Horwitz and Horwitz 2007; Jehn et al. 1999; Milliken and Martins 1996). Horwitz and Horwitz’s research found support for the “positive impact of task-related diversity on team performance” (2007, 987). Similarly, Milliken and Martins found that skill-based diversity had “some cognitive benefits at the board, top management group, and organizational task group levels” (1996, 416).

Alternatively, dominant function diversity (based on particular experiences) has been shown to have a negative effect on process and performance (Bunderson and Sutcliffe 2002, 875). In a similar vein, “informational diversity positively influenced group performance, mediated by task conflict. Value and social category diversity, task complexity, and task interdependence all moderated this effect” (Jehn et al. 1999, 741).

As an extension of both ethnic and professional diversity, value diversity affected team process and performance (Jehn et al. 1999, 741). Because ethnicity, gender, and professional background help shape peoples’ values, it is likely that any types of diversity result in value diversity. Jehn et al. found that overall, “value diversity decreased satisfaction, intent to remain, and commitment to the group” (741).

**Amount of Diversity**

A few of the studies researched for this paper addressed how much diversity makes a difference in a team (Earley and Mosakowski 2000; Knouse and Dansby 1999; Thatcher et al. 2003). Thatcher et al. concluded, “distribution of demographic characteristics that team members
possess can greatly influence conflict experiences and outcomes” (2003, 232). Their research showed that very diverse groups and those with two majorities “had higher levels of conflict and lower levels of morale and performance” than groups with more moderate levels of diversity (217). Similarly, Knouse and Dansby concluded that a small amount of diversity is optimal for team performance (1999, 491). Alternatively, Earley and Mosakowski’s research of team members from different countries showed that homogenous groups and highly heterogeneous groups outperformed moderately heterogeneous teams, suggesting that a power dynamic shifts as diversity increases or decreases (2000, 26).

**Team Environment and Goals**

The purpose and atmosphere of a team also influence work process and product (Chatman and Flynn 2001; Ely and Thomas 2001). Chatman and Flynn discovered that “the extent to which an organization emphasized individualistic or collectivistic values interacted with demographic composition to influence social interaction, conflict, productivity, and perceptions of creativity” (2001, 749). Further, they found that the “purported benefits of demographic diversity are more likely to emerge in organizations that … encourage people to categorize one another as having the organization's interests in common, rather than those that emphasize individualism and distinctiveness among members” (749). Specifically addressing nonprofit boards, Brown found that positive diversity attitudes on the board greatly contributed to board performance (2002b, 50). Ely and Thomas also found:

The perspective on diversity a work group held influenced how people expressed and managed tensions related to diversity, whether those who had been traditionally underrepresented in the organization felt respected and valued by their colleagues, and how people interpreted the meaning of their racial identity at work. These, in turn, had implications for how well the work group and its members functioned. (2001, 229)
The research as a whole finds that diversity can be beneficial or harmful based on how the diversification process is managed. Brown claims, “the positive association between [the board’s awareness about diversity] suggests the importance of attending to group attitudes and encouraging board members to value diversity as instrumental to board performance” (Brown 2002b, 51).

**Conclusion**

There are four main influencing factors on a diverse team’s success: time, type of diversity, amount of diversity, and team environment and goals. Time and type of diversity appear to have the biggest impact on success, according to the research. But there is potential for the management of team environment to have significant impacts as well. The attitudes with which an organization approaches diversification, quality of product, team process, conflict, and learning can guide how team members behave and perceive their success. Part of the reason ethnicity has been shown to have the greatest effects on a team’s product and process is because perceived difference can have as great an impact on the group as real difference. An organization’s ability to direct perceptions and expectations may increase its ability to overcome the various barriers to diversification.
CHAPTER 4

ETHNIC GROUPS AND GIVING MOTIVATIONS

The main ethnic groups for which philanthropic giving studies can be found are: Caucasian, African American, Hispanic or Latino, Asian American, and Native American, with significantly less information on the latter. It is difficult to build a consistent history of giving patterns for each ethnic group with the research available because methodology and scope vary greatly. Furthermore, much of the research is relatively outdated and the findings are not uniform. Not much has been written about any of the ethnicities’ giving habits since 2005. It is probable that research based on the 2010 United States Census findings is in progress now and publications will soon follow.

The importance of understanding ethnic giving patterns and priorities is hard to deny given that African American, Hispanic, Asian American, and Native American populations in the United States are increasing at far greater rates than Caucasians (US Census Bureau 2010e). The US Census predicts that there will be no majority race by 2024 and current minorities will comprise 57 percent of the population by 2060 (US Census Bureau 2012). Further, as education and net worth of these populations increases (US Census Bureau 2010a, 2010b, 2010c, 2010d), so does the ability of minorities to give (Havens et al. 2006, 545). Increased wealth, however, does not imply greater rates of philanthropic giving. Aspects of each culture determine ways of and priorities for giving that must be understood to identify whether or not a population is capable and/or interested in donating to an institution. In a wide-ranging 1999 study, Smith et al. concluded that “knowledge of people's ethnicity does not help to predict the proportion of their total yearly household expenditures or total number of hours a year they give outside their nuclear family; but knowledge of people's ethnicity does help to predict the forms and beneficiaries of giving and volunteering outside the nuclear family” (154).
This chapter explores the philanthropic motivations and giving beneficiaries of the main ethnic groups in the United States: African Americans, Hispanics or Latinos, Asian Americans, and Native Americans. The research reveals one uniform motivator for all ethnic groups: a sense of personal connection to the cause or organization. While this does not necessarily have to be to staff or board members, it usually implies a personal connection to the solicitor of funds.

**African American Motivations**

African Americans are motivated to give for a variety of reasons. For older generations, the experiences of living through the civil rights movement influences their giving (Mottino and Miller 2005). For younger African Americans, there is still a desire to help “uplift” those who are disadvantaged, by providing educational resources and job skills (40). It is clear that the past experiences as minorities create different motivations for giving (Mottino and Miller 2005). The difference found in the motivations between young (post 1960s) and older African Americans demonstrates the ability of a culture to change and how that change affects philanthropic behavior. As African Americans continue to attain more wealth, their motivations for giving are likely to change. According to Carson, “black philanthropy is shaped by the social, economic, and legal climates faced by African Americans at different points in history” (2005, 6).

Kutner and Love did an extensive study of minorities throughout the United States in 2003 through the AARP on donors age 45 and older (2003). Their research revealed that the top three motivations for older African Americans are: giving to those with less, an organization’s history and performance, and the feeling that they are making a difference (41-42). Mottino and Miller found similar motivations in the 2005 study of 58 African American donors of all levels in the New York metropolitan area, such as: “Proper Thing to Do,” “Give Back,” “Uplift Others,”
“It's Satisfying,” and “It Connects Me with...” (Quoted in Mottino and Miller 2005, 40). The first two reflect traditional values, while the latter three expose “a different kind of motivation growing out of traditional practice but responding to contemporary conditions” (40). Mottino and Miller were able to conclude that the desire to “eliminate past injustices” was a common theme across all African American donors (43).

**Beneficiaries**

Historically, African American giving has been focused on gifts to the church (Carson 2005; Smith et al. 1999). The church continues to be a top priority of African American donors, but there is a shift happening toward more individualized giving (Carson 2005). Carson makes the argument that although African Americans have a shared history and skin culture, the community has become more individualized (9). He attributes this shift to increased wealth among African Americans and diminished racial discrimination, which allows donors to feel comfortable giving beyond race-focused issues (10). Fewer donations to churches are also unsurprisingly linked to decreased church attendance in the African American community (9). Still, older generations of African Americans were most likely to give their largest gifts to churches or religious organizations (Mottino and Miller 2005, 38). It is important to note that religious giving in this sense was not only because of the religion but also because “they see the churches as a center for community development” (38). Mottino and Miller do not indicate how churches use gifts to support community development.

Education is also seen as a mode of community development (Carson 2005; Mottino and Miller 2005; Newman 2002). Major educational institutions play a large role in African American philanthropy (Carson 2005; Mottino and Miller 2005). Newman discovered that the largest African American annual gifts usually go to the church and major educational
institutions, such as alma mater universities (2002, 37). Mottino and Miller furthered these findings by specifying that younger generations were most likely to give their largest gifts to educational institutions or programs rather than to the church (2005, 39).

Kutner and Love, through their research with the AARP, found that African American giving by older people tends to focus on homelessness, hunger, minority rights, religious institutions, tutoring, and neighborhoods (2003, 10). Regardless of age, Carson argues that African American donations are no longer limited solely to the church or even to African American-specific organizations and causes (2005, 10). Mottino and Miller’s interviewees listed giving to “some group or groups in need of resources” above other causes (2005, 37). With a slightly different emphasis, all of the younger African Americans focused their philanthropic intents on “those without access and to work toward greater equality of opportunity but with less focus on racial or ethnic background (than the older populations)” (37). This marks a trend of newer and younger donors giving outside of racial/ethnic boundaries, but still giving to “communit[ies] of need” (37).

As African American giving priorities change, so too, will nonprofit organizations wishing to secure their donations. As donors move away from African American causes, Carson argues, organizational excellence will determine where philanthropic dollars are spent (2005, 10). Carson further makes the argument that nonprofit organizations not “focused on African American causes...that want to solicit gifts from African Americans without their input and without boards and staff who fully represent the diversity of the community will ultimately not be successful” (11).
Hispanic Motivations

Overwhelmingly, the research on Hispanic philanthropy stresses the importance of a personal connection with the person asking or with the organization directly (Aguirre and Min 2002; Brooks and Carter 2008; Kutner and Love 2003; Newman 2002; Ramos 1999; Rivas-Vasquez 1999; Royce and Rodriguez 1999). Royce and Rodriguez noted that all the terms and phrases that arose from their interviews were “founded in relationships – with individuals, with the material world, and with the spiritual realm” (1999, 14). The emphasis on relationships and the intimacy of giving was uniform throughout all the research.

Ramos’ 1999 research showed that Hispanic donors differ from mainstream philanthropists in that they are not persuaded by benefits and tax incentives to give. Rather, “familial and culturally based factors, such as a sense of responsibility to one’s relatives and kin, seem to drive these donors' giving” (150). In his study of 35 wealthy Latino donors, Ramos discovered that “almost to a person, the chief motivation for, and interest in, engaging in philanthropy was a sense of personal responsibility – a desire to give back to the Latino communities from which they came, and, in the process, to help accelerate Latino community rights and opportunities within US society” (163). Royce and Rodriguez also came to this conclusion in their study with a broader survey base in 1999 (14). Kutner and Love’s 2003 extensive study of over 2,069 individuals over the age of 45 (not all Hispanic) also found that Hispanic Americans are motivated to volunteer by a sense of personal responsibility to help others, and personal satisfaction (44-45). No matter the methodology, survey sample, or the method of giving analyzed, the research shows that sense of “personalism,” family, giving back, and community are major motivators for Hispanic giving (Royce and Rodriguez 1999, 14).
Beneficiaries

The literature presents contradictions regarding the types of organizations and causes to which Hispanics give their time and money. Ramos reports the main priorities of Latino donors are: community self-help and empowerment, youth and education, and culture and the arts (1999, 163-165). He goes on to conclude that along with volunteering and an ask from a community leader or other respected and trusted individual, “most donors expressed a preference for giving to address immediate needs, including: direct assistance to family members and friends; civic, educational and advocacy programs targeted especially to Latino youth; and community cultural events and celebrations” (166).

While other research generally supports Ramos’ findings, Ramos does not acknowledge a preference for religious giving. Alternatively, Rivas-Vasquez found the most consistent giving priorities to be family-related organizations, education, and religion (1999, 123). De la Garza and Lu also acknowledge that churches and religious organizations were a high priority for Hispanic donors (1999, 59). Cortés references a 1999 study by Smith et al., which found that “all three subgroups [Guatemalens, Mexicans, and Salvadorans] contribute relatively little time and money to mainstream charities except for churches” (Smith et al. 1999 in Cortés 2002, 50). Aguirre and Min reiterate these findings in their own 2002 study: “Silicon Valley Hispanics give more directly to their personal networks as opposed to organized charity. The one exception is the high level of giving to churches” (10). While Aguirre and Min do not specify the types of churches that receive donations from Hispanics, Ramos concludes that Protestant giving is on the rise even though the Catholic Church is the traditional beneficiary (Ramos 1999, 159).

Along with the church, the other consistent theme in Hispanic giving is the tendency to give within the Hispanic community. At the very core of “giving back” is the tendency of Hispanics to give in remittances. Carlos Tortolero of the Mexican Fine Arts Center Museum in
Chicago said that “the third largest source of revenue in Mexico is remittances” (Tortolero in Newman 2002, 51), which demonstrates the sheer amount of this type of giving occurring. Hispanic donors also demonstrate their desire to give within the community. Ramos finds that “although Latino donors prefer to support Latino constituencies in need and Latino community causes, they generally give as much – and sometimes more – to mainstream organizations” (1999, 149). While the claim that Hispanic donors give equally (or more) to mainstream organizations is not found in other research, Ramos’ statement that Latinos prefer to support their own community is consistent with other research (Aguirre and Min 2002; Newman 2002; Rivas-Vasquez 1999). Some of Ramos’ claim that Hispanics were giving to mainstream organizations could have arisen because of his sample of donors was limited to wealthy Hispanics (1999, 180). Rivas-Vasquez conducted a larger study more regionally dispersed and discovered that there is a disconnect between what causes Hispanics say they support and where their contributions go (1999, 125). Only 15 percent of the donors interviewed expressed an interest in donating to issues relating to Hispanics, while 68 percent of the donors donate to Latino nonprofits (125). Rivas-Vasquez argues that this contradiction between statement and behavior “is important because it suggests that despite some respondents’ indications, causes that serve their own communities are especially likely to win their support” (126).

The final theme that emerged is a distrust of formal institutions and formal giving. Because Hispanics value a personal connection, the fact that Hispanics generally feel disconnected from mainstream nonprofits affects to whom they choose to give (Aguirre and Min 2002). Aguirre and Min reported, “several of the respondents articulated that they are indeed suspicious of organizations with which they do not have a personal connection, either through a trusted supporter, staff person, or a board member” (2002, 21). The researchers further gathered
that “many of the respondents stated that when deciding to donate or volunteer, they look to see if the organization or cause soliciting their contribution represents the Hispanic community and whether it demonstrates a genuine understanding of the culture, traditions, language, and need” (21). One of Rivas-Vasquez’s interviewees echoed these sentiments: “In the Hispanic community, people give to people they know and the cause kind of slides in” (Quoted in Rivas-Vasquez 1999, 122). This implies that an organization may not need to represent Hispanic causes or program Hispanic works to solicit a donation. Other interviewees spoke of supporting friends and their causes, being “aware of the people who are running the organizations,” and not wanting to support administrative costs (Quoted in Rivas-Vasquez 1999, 122). All of the research suggests that the presence or absence of a personal connection will influence Hispanic giving more than any specific cause.

**Asian American Motivations**

Within the Asian American population in the United States, family influence appears to be a major motivator of giving (Chao 1999; Shao 1995). All of the donors interviewed by Chao, “cited family influence as a major, if not the only, reason why they feel obligated to give” (1999, 192). Shao also concludes that “Asians give because of their understanding that benevolence, compassion, interdependence, and basic respect for humankind are necessary ingredients to living, first in their families, then in their own ethnic communities, and then in the greater society” (1995, 56). It also appears that “passion for a cause...respect and confidence in the leadership of the nonprofit, and identification with the social and business peer group represented by the board are all critical in decisions about committing significant time and money to an organization” (Chao 1999, 193). This suggests that if board members are part of a peer group a
donor wishes to be associated with, the donor is more likely to make a gift. Kutner and Love’s 2003 research mirrors these results (43). Where Kutner and Love’s research differs is that they found that a sense of personal responsibility and personal satisfaction were the top motivations for volunteering (43). Only 17 percent of donors listed “tradition in family” as a top motivation for giving (43). This may indicate a shift in priorities because both Chao as well as Kutner and Love focused their research on donors over the age of 45 and Kutner and Love’s later research involved a significantly larger sample than that of Chao (Chao 1999; Kutner and Love 2003).

**Beneficiaries**

In general, Asian American giving priorities closely align with mainstream priorities. Asian Americans want appropriate and visible acknowledgment (Chao 1999, 194), volunteering is a strong indicator of donations (194), and a personal ask from a respected person will garner a larger donation (193). This has not always been the case. Shao’s earlier practice-based research found that Asian giving is commonly related to specifically Asian causes and to the preservation of culture (1995, 57). She also writes that trust in foundations is increasing and that Asian Americans do give to non-Asian groups. “However, perceiving the inequitable giving of mainstream America toward the needs of the Asian American communities, Asian Americans have focused on giving primarily to Asian groups” (59). This is supported by Chao’s research, who also indicates that this pattern is changing as Asian Americans become more “Americanized” (1999, 193).

In a later study, Chao found that the causes Asian Americans give to vary individually, but there are also larger preferences within the different countries of origin. For instance, she found that Japanese Americans have a focused interest in civil rights issues (1999, 192). Indeed, different giving priorities emerged within the study of Chinese philanthropy conducted by Ho
and Yuen in 2011 and the *Korean American Philanthropy* report released by Give2Asia in 2011. Although there is not specific literature on each different Asian culture, the differences show that the priorities for Asian American giving are not uniform. There are some priorities, however, that repeatedly appear in the research available.

There appear to be different giving priorities for different generations of Asian Americans. Chao states that “the more Americanized Asian Americans are likely to give to formal nonprofits, to US entities and to pan-Asian charities. In contrast, the more foreign-oriented tend to give more informally to family, friends and mutual aid associations; to charitable causes in their home country and to ethnic-specific causes” (1999, 193). And although limited to Chinese donors, Ho and Yuen found that first-generation immigrants tend to give to their home countries (2011, 1). Give2Asia’s *Korean American Philanthropy* report concluded that as Korean Americans become more Westernized, their giving becomes more formal and spreads beyond particularly Korean causes (Korean American Philanthropy 2011).

When Asian Americans give formally, cultural organizations appear to be a main priority. Vishakha Desai of the Asia Society claimed that “The arts, culture and appeals for the country of origin are important to foreign-born Asians” (Desai in Newman 2002, 44). Kutner and Love later concluded that Asian Americans are more likely than all other ethnicities (including Caucasians) to support museums, theaters, libraries, or other cultural arts organizations (2003, 10). Also of primary concern was an organization’s effectiveness (Ho and Yuen 2011; Korean American Philanthropy 2011; Kutner and Love 2003). Kutner and Love found that Asian Americans are more inclined to donate based on an organization’s past performance (2003, 43). More than any other ethnicity, Asian Americans find it important that their money is used effectively and are more interested in seeing “measurable results” (Ho and Yuen 2011, 1). This suggests that
Regardless of the cause, donors are unlikely to give to an organization unless they are “convinced of the worthiness of its cause, its transparency and effectiveness, and ultimately, the impact of their dollars” (Korean American Philanthropy 2011, 10). Two thirds of that statement has no connection with the specific charitable subject or a personal connection to the organization.

**Native American**

Of all the minorities discussed in this paper, we know the least about Native American populations. The 2010 Census indicates that Native populations are increasing (US Census Bureau 2010e). But even with the US Census, information is limited. Education levels, net worth, and other indicators of wealth such as income are not included in the census (US Census Bureau 2010a, 2010b, 2010d). This remains an area in need of further research to fully understand the scope and direction of Native American philanthropy. Stately, however, writes that Native American giving, while hidden, is strong (2002, 82). As of 2001, Indian gaming nations give $58 million to charitable causes every year (82). She further writes that 38 percent of those gifts go to non-Native American organizations (82). Another issue with the literature on Native American giving is that most of the research does not appear to be rigorous. With the exception of Diana Newman’s 2002 and Berry and Chao’s 2001 research, the studies used for this paper based their findings on history and anecdotal personal experience as opposed to formal research.

**Motivations**

Native Americans have a long history of giving, which suggests that the act of giving is a core part of their culture (Berry and Chao 2001; Forum of Regional Associations of Grantmakers 2013; Peck 2002; Waterman Wittstock 2007). Waterman Wittstock suggests that in fact, Thanksgiving was essentially a charitable act on the part of Native Americans towards the
Pilgrims (2007, 2). She states, “20,000 years of cultural education taught deeply the lesson of cooperation over competition. Giving was ingrained in all modes of relationships” (3). This history is apparent in the “oral record” (6). Peck also argues that because the practice of giving is ingrained in their culture, Native Americans “do not need to be taught how to give” (2002, 61). Most, if not all, Native American cultures in North America “revere the practice of seeing and meeting the needs of others” (61). The Forum of Regional Associations of Grantmakers also suggests that many Native Americans “give as an intrinsic part of their way of life” (2013).

Sharing is referenced as another motivation for giving in the Native American community (Berry and Chao 2001; Forum of Regional Associations of Grantmakers 2013; Stately 2002). Berry and Chao suggest that because the Euro-centric concept of ownership is foreign to Native Americans, “giving and sharing connect the individual to his or her ancestors and to nature” (2001, 38). Native Americans inherently value philanthropy, but likely do not relate to how they are being asked to give (Peck 2002, 61).

**Beneficiaries**

Because of the lack of available research, it is difficult to determine to which types of organizations Native Americans give. Peck argues that Native Americans tend to approach charitable organizations with distrust because they were historically harmed under the pretense of “charity” (2002, 58). Peck further argues that “before a nonprofit organization can effectively serve American Indians, much less raise funds from this population, it must acknowledge and address this historically well-deserved distrust” (58). Newman and Berry and Chao were the only researchers to list some specific giving priorities. Through her research, Newman discovered that “Native Americans give primarily to address current and immediate needs,” (2002, 64) but she also lists education and scholarships, cultural preservation and the arts, economic development,
youth, health care, and services for the elderly has likely beneficiaries (63). The Forum of Regional Associations of Grantmakers also acknowledges the Native American desire to “recognize immediate needs” (2013). Berry and Chao claim that Native American giving tends to be local and community based (2001, 29). The researchers then claim that Native American tribes that have become wealthy from gaming and resorts, “tend toward more visible mainstream institutions and causes such as the United Way, Red Cross, and museums” (39).

Conclusion

The most relevant information to surface out of this literature review is that all of the ethnicities studied place importance on the personal nature of giving. This personal connection can either be to the organization (through volunteering or board involvement) or to the person asking for the donation (Aguirre and Min 2002; Chao 1999; Peck 2002; Ramos 1999; Rivas-Vasquez 1999; Royce and Rodriguez 1999). As in mainstream philanthropy, personal relationships must be cultivated before a gift will be made. With each ethnicity, it is important to be asked by “respected leaders and peers in their community or profession for support of organizations or causes with which they have personal experience – either as a beneficiary or a volunteer” (Ramos 1999, 150). It is then not surprising that the results of Kutner and Love’s survey “indicate that African-Americans, Asian-Americans, Hispanic-Americans and non-Hispanic whites are more similar than dissimilar in their actions and motivations to give of their time and money” (2003, 10).

As shown in the following tables, several common themes and values appeared in the research across all ethnicities. A sense of community comes up repeatedly and is exhibited through remittances, donations to ethnic-specific causes, and a general desire to help one’s neighbor. Also important and pervasive is a donor’s sense of personal responsibility to give back.
to the community. (See Table 1.) The most consistent motivator for giving is a personal connection to a cause or organization but a desires to give back to one’s own community, give to those with less, and to feel a sense of personal satisfaction also rank high as motivators. (See Table 2.) Beneficiaries are less consistent even within each ethnic group, but a majority of donations still go to family and friends in need and to education. (See Table 3.) And while the themes, motivations, and beneficiaries set forth in this chapter by no means cover all giving by different ethnic groups, they do provide a general guide to the nonprofit looking to start broadening their donor base beyond traditional, Caucasian donors.
Table 1. Themes/Values

<table>
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<tbody>
<tr>
<td>Community</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Redressing past injustices</td>
<td>X</td>
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<tr>
<td>Opportunity</td>
<td>X</td>
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<td>Personal responsibility</td>
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Table 2. Motivations for Giving

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<tr>
<td>Uplift others</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Give to those with less</td>
<td>X</td>
<td>X</td>
<td></td>
<td>X</td>
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<tr>
<td>Make a difference</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Organizational excellence</td>
<td>X</td>
<td></td>
<td>X</td>
<td></td>
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<tr>
<td>Give back</td>
<td>X</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Satisfying</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Personal connection</td>
<td>X</td>
<td>X</td>
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<td>X</td>
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<tr>
<td>Sharing</td>
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Table 3. Primary Beneficiaries

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<tbody>
<tr>
<td>Church</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Youth</td>
<td>X</td>
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<td>X</td>
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<tr>
<td>Elderly</td>
<td></td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Culture and arts</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Family and friends, including remittances</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Immediate needs</td>
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<td>X</td>
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BARRIERS TO BOARD DIVERSIFICATION

Research shows that there are five major barriers to successful board diversification.

Board recruitment is often an insular process where current board members look to their personal networks to fulfill vacancies on the board (De Vita and Roeger 2010; Ostrower 2002, 2007; Pease & Associates 2003;). A negative, or unwelcoming, board culture can also prevent diversification (The Denver Foundation 2007; Fletcher 1999; Gitin 2001; Ostrower 2002; Vallejos Bartlett 2003; Walker and Davidson 2010). And as subsets of board culture, tokenism and some board structures can act as barriers to diversification (The Denver Foundation 2007; Fletcher 1999; Gardyn 2003; Pease & Associates 2003). The research also shows that a general lack of commitment to diversity on the board and in the organization as a whole will adversely affect successful diversification (Brown 2002a; The Denver Foundation 2007; Gitin 2001; Pease & Associates 2003). An inability to accurately perceive the board’s success with diversification also inhibits the process (Brown 2002a; Gitin 2001; Pease & Associates 2003). Finally, fundraising concerns limit the board’s ability to diversify (Brown 2002a; Callen et al. 2009; Fletcher 1999; Gardyn 2003; Ostrower 2002).

Recruitment

Cumulatively, research shows that insular recruitment practices are the primary reason that more boards are not more ethnically diverse (The Denver Foundation 2007; De Vita and Roeger 2010; Fletcher 1999; Gardyn 2003; Gitin 2001; Nonprofit Governance Index 2010; Ostrower 2002, 2007; Vallejos Bartlett 2003). The issues with recruitment are twofold. First, board members draw from their personal networks when looking for prospects, which limits their selection to who they know (De Vita and Roeger 2010; Fletcher 1999; Ostrower 2002, 2007). These practices then lead board members to conclude that there are not available minority
candidates when in reality, current members are just not looking in the right places (The Denver Foundation 2007; Fletcher 1999; Gardyn 2003; Gitin 2001; Nonprofit Governance Index 2010; Ostrower 2002; Pease & Associates 2003; Vallejos Bartlett 2003).

Ostrower’s early research concludes, “the composition of the boards (which she studied) is closely connected to the way in which they recruit new members” (2002, 1). She also found that “when trustees seek to diversify, they simply extend their same criteria and priorities to new groups” (46). A white trustee told Ostrower that “his board would ‘love’ to have more ethnic and racial diversity, as long as those recruited are ‘wealthy and respected and think the way we do’” (46). This severely limits the pool of prospects and somewhat negates the benefits of added diversity on the board. Ostrower’s 2007 research supported her findings from 2002: “Emphasizing friendship with existing board members as a recruitment criterion was negatively associated with having any minority members” (2007, 19). In a more recent study, De Vita and Roeger found that “nonprofits use personal and professional networks as a primary means of recruiting” (2010, 13). This suggests that a large part of the reason boards are not increasing their diversity is that their recruitment practices haven’t changed.

The issues with recruitment add to the “myth that there are no qualified (minority) candidates” (Vallejos Bartlett 2003, 8). Ostrower neatly sums up the issue:

Trustees themselves often say that it is very hard to find minority members to give and/or raise money. Yet these boards have also proved unsuccessful in initiating and undertaking the actions needed to find and recruit those who are available. (2002, 45)

The Denver Foundation also found that there is a “misconception that individuals of color do not have wealth, expertise or wisdom to contribute” (2007, 4). This sentiment is echoed repeatedly throughout the research (Gitin 2001; Nonprofit Governance Index 2010; Ostrower 2002; Pease & Associates 2003) and was also mentioned several times in the survey conducted for this study. An extension of this issue is that trustees sometimes assume that because there aren’t many
minorities in their audiences or among their donors, there are no minorities interested in the mission of their organization or available for board service. Ostrower points out that “while members of a particular ethnic community may not be involved with an institution in larger numbers, this does not necessarily indicate a lack of interest in the mission of the institution” (2002, 56).

**Board Culture**

If recruitment practices are the major player in preventing diversification, then cumulative research suggests board culture is the major player in preventing diversification from being successful (The Denver Foundation 2007; Fletcher 1999; Gitin 2001; *Nonprofit Governance Index* 2010; Ostrower 2002; Vallejos Bartlett 2003; Walker and Davidson 2010). While issues with board culture can prevent the recruiting of minority members, the larger problem is that board culture often creates an uncomfortable environment for diverse members. BoardSource writes, “it is not enough to recruit a diverse board. The board must become a cohesive unit that makes use of what every board member can offer” (2010, 117). Issues with board culture reflect problems with language, insensitivity, exclusivity, and tokenism, to name just a few (e.g. The Denver Foundation 2007; Fletcher 1999; *Nonprofit Governance Index* 2010). For instance, if a board culture welcomes disagreement and debate, it is likely to have an easier time diversifying than a board that discourages any form of conflict (e.g. The Denver Foundation 2007; Fletcher 1999; Ostrower 2002; Walker and Davidson 2010).

Ostrower’s research shows that “whatever the racial or ethnic background of those being recruited, whether white or not, trustees seek to avoid those who they fear will ‘cause a flap’” (2002, 41). Ostrower also concluded that “many white trustees’ receptivity to greater diversity [on the board] would likely weaken were it to become associated with substantial changes in the
character of the board and organization” (41). Likewise, Brown suggests that “often, latent prejudice and stereotypes are not addressed in groups for fear of disturbing group norms and possibly losing members” (2002b, 51). A board culture that values agreement and efficiency above all else will unlikely be welcoming to diverse membership. Trower calls this the “culture of yes,” which “develop[s] when raising objections during meetings is not only frowned upon but is actively discouraged” (2013, 130). Fletcher writes, “monocultural boards that bring in new groups (whether racial, ethnic, or other categories of diversity) must adapt to the differences if they expect new members to remain and be productive” (1999, 18). An unwillingness to allow conflicts into the boardroom may not essentially block recruitment of diverse members, but it is likely to keep them from bringing their friends onto the board. For instance, a minority board member interviewed in Walker and Davidson’s national survey of board members of color felt that white board members “like to claim that they have people of color on the board, but they don’t want me to challenge the status quo and really add diversity” (Quoted in Walker and Davidson 2010, 9). This research suggests that it is easier for racially diverse members who are unlikely to challenge current board practices to join a board. But if the recruit has differing views, their different skin color may act as an additional barrier to full inclusion onto the board.

Kathleen Fletcher’s research on Planned Parenthood Western Affiliates cited use of language as an issue for minority board members (1999, 23). White members sometimes used language in a way that was viewed as paternalistic by minority members (23). This was also evident in BoardSource’s 2010 Nonprofit Governance Index. One board member was interviewed as follows:

Finding people who fit our diversity needs and who have the time to contribute is sometimes hard, especially when it comes to younger and less affluent people who would add a lot to our board. Everyone says ours is the best board they have ever served on, but
it takes intelligence and a commitment in time that not everyone has. (Quoted in Nonprofit Governance Index 2010, 28)

While probably not intentional, this board member is insinuating that “younger and less affluent people” may not have the “intelligence” to be board members, which casually discounts an entire group of prospects (Nonprofit Governance Index 2010, 28).

This type of language is symptomatic of a larger elitism on nonprofit boards. Gitin interviewed a young Latino man who waited fifteen years before being considered to serve on a community board. “He found an attitude of elitism on the board after finally joining and was surprised that the board members did not recognize the barriers they created that limited his participation” (Gitin 2001, 83). Walker and Davidson’s interviews also pointed to exclusivity as a barrier to meaningful diversification. One board member of color stated, “the board members are strictly about wealth and influence, not other skills. The conversations do not always include you, if you are not part of their ‘group’” (Quoted in Walker and Davidson 2010, 8). This suggests that after successful recruitment, boards may not be fully utilizing their new members.

Tokenism was also a large issue viewed by researchers as well as identified by board members of color (The Denver Foundation 2007; Fletcher 1999; Nonprofit Governance Index 2010). Fletcher discovered that “although nominating committees told people of color that they were not expected to represent their community, in practice they were actually asked to do so” (1999, 20). Because of this, members of color “felt caught between their sense of responsibility to represent their community and their desire to blend in as just another board member” (20). In either situation (representing a community or blending in) minority board members are hindered from substantively adding to the quality of the board. The Denver Foundation found that being asked to speak on behalf of their race was a major issue for younger board members of color (2007, 6). Another side of tokenism is when minority board members are underutilized. Kaiser
writes, “it is frequently considered enough to have minority representation on the board and staff. And too often, these minority representatives are told they do not have to make any additional contribution to the institution, that their presence on the board is sufficient” (2010, 24). Treating minority board members as token members not only limits the benefits of diversification, it also hurts future recruitment efforts. A board member interviewed in the 2010 *Nonprofit Governance Index* claimed, “Often we’ve added people to ‘hit a quota’ only to regret it,” suggesting that the board will be hesitant to try again (Quoted in *Nonprofit Governance Index* 2010, 30).

Some of the research also shows that the structure of a board can affect the success of diversification efforts (Fletcher 1999; Gardyn 2003; Pease & Associates 2003). Fletcher found that the “inflexibility of the scheduled meeting time” for one board became a barrier for younger members of color because they had to work when their older white counterparts did not (1999, 22). Fletcher appropriately notes, however, that this would also be a barrier for younger white members (22). Addressing another aspect of board structure, Pease & Associates found that “nonprofit boards of directors that have board and board leadership terms that are either very short or very long have the most difficult time implementing changes to inclusiveness practices” (2003, 14). Short terms do not allow enough time for follow-through on initiatives and long terms don’t allow enough opportunity for turnover (14).

At the heart of issues with board culture is a lack of respect for board members of color. When diverse members are brought onto the board but the current board members are unwilling to accept change or be sensitive to the needs and strengths of new members, diversification ceases to be beneficial for the organization. An exclusive board culture is likely not malignant, but exists out of ignorance. This begs the question of what kind of information board members are getting. Nonprofit service organizations and practitioners recommend formal orientation
programs for new board members (Hoff 2013; Masaoka 2009; Nonprofit Governance Index 2010). While 77 percent of boards do have structured orientation programs, BoardSource claims that the quality of orientation programs could be improved, although they do not describe how (Nonprofit Governance Index 2010, 8).

Some level of cultural training will be necessary to pull organizations out of their current practices. BoardSource suggests that diversity training can help a board become more inclusive and yet only 13 percent of boards are conducting such training (Nonprofit Governance Index 2012, 18). Similarly, The Denver Foundation suggests that inclusiveness training is essential in training the individuals within an organization to “develop a greater awareness and understanding of cultural and power dynamics and how they affect individuals, workplaces, and societies” (“Your Inclusiveness Guide”). The Denver Foundation also recommends that while a consultant probably should be hired, the board, management, staff, and possibly an “inclusiveness committee” all need to participate in training and implementation (“Your Inclusiveness Guide”).

Lack of Genuine Commitment

Some of the issues with board culture as well as recruitment stem from a lack of genuine commitment to diversification (The Denver Foundation 2007; Fletcher 1999; Gitin 2001; Vallejos Bartlett 2003). Without a real commitment from both the board and the organization, diversification efforts are unlikely to succeed. At the most basic level, “inertia and lack of time for board work combine to discourage organizations from expanding their recruitment horizons” (Fletcher 1999, 15). Gitin also claims, “diversity is still relegated to the status of a program or a problem to be solved rather than embraced as central to philanthropy” (2001, 86).
The Denver Foundation found that a “lack of cultural competence or commitment to inclusiveness” was preventing boards from diversifying in the Denver metro area (2007, 4). In the same study, “survey respondents suggested that broader organizational commitment to diversity would make board service as a minority more rewarding” (5). A board member of color also suggested that boards would be more diverse if entire organizations made diversity commitments: “We need CEOs with different priorities. We won’t get more diverse trustees and staff without more CEOs who value inclusion” (Quoted in Walker and Davidson 2010, 8). This sentiment of “not enough diversity” also manifests itself in boards that have too few minority members. Fletcher found that “boards with only one or two members of color were perceived as being less hospitable to people of color than those with more diversity” (1999, 21). Similarly, in his literature review, Brown (2002b) cites Rutledge (1994) as suggesting that “minority membership needs to be significant, 20 percent or more, to effectively combat marginalizing contributions to the group” (Brown 2002b, 44).

A lack of genuine commitment to diversity likely happens because change is difficult and costly (Gitin 2001; Vallejos Bartlett 2003). Gitin suggests half-hearted attempts at diversification are due to “the very human fear of change, the uncertainty, and the discomfort new people and new ideas are sure to generate” (2001, 85). Similarly, Vallejos Bartlett suggests, “it takes a long time for an organizational culture to change, which being truly inclusive often requires an organization to do” (2003, 8).

**Lack of Self-Awareness**

The research clearly shows that denial is partly at fault for today’s homogenous boards (Brown 2002a; Gitin 2001; Pease & Associates 2003). Pease & Associates go as far as to suggest that “the most significant barrier that organizations face is a perception that the focus of their
work is not relevant to communities of color” (2003, 12). The authors note that this is especially true in arts and culture organizations (12). The researchers also found that, in an attempt to be “color-blind,” organizations ignore the fact that “culture matters when providing services or engaging in advocacy work or creating cultural or artistic experiences” (13). Similarly, Gitin found that boards and organizations try to deny that race is an issue in the United States or in their organizations, making it unimportant to address (2001, 86).

Most disturbing, however, is that boards seem to be unaware of their progress (Brown 2002a). In his survey of 99 nonprofits in the Los Angeles area, Brown found that most board members and executive directors believe their boards are inclusive (2002a, 376). “However, only for executive directors did increased satisfaction correlate with increased minority diversity of the board. This implies that board members are inclined to express satisfaction with the diversity of boards even when the boards are not that racially diverse” (378). Further, “almost 30 percent of the executive directors feel that their boards were not aware of their impact on stakeholders; they do not seek input from diverse groups; and they do not include nonboard members in decision-making groups” (381). BoardSource also recently reported that while 74 percent of “chief executive [sic] perceive a high degree of engagement with diverse board members…when we [BoardSource] ask whether the board has developed a detailed plan to create an inclusive culture…only 17 percent report yes” (Nonprofit Governance Index 2012, 18). There is a clear disconnect between what board members, and sometimes executives, believe and reality.

Financial Concerns

While fundraising concerns were not voiced as a major barrier by Planned Parenthood board members, they did exist.

For example, expectations about giving led some to feel that their contributions could never be appreciated because they were small in comparison to what others on the board
could give. And while many Black professionals could afford the minimum amount prescribed by their respective boards, there remained the related lack of sensitivity as to venues for fundraising events, because there were still places in the community where Blacks felt uncomfortable. (Fletcher 1999, 22)

This points to a fear that minority members may not be able to donate or fundraise as much as their white counterparts. Handy implies a reason for the disconnect between spoken fundraising concerns and actual concerns. She writes that wealth and income are not listed as criteria for recruitment, but “wealthy people may be recruited under proxy criteria correlated with wealth, such as ‘ability and/or willingness to donate funds,’” (Pfeffer 1973 in Handy 1995, 301) because “wealth may be judged as too crass a criterion for appointment to a board” (Handy 1995, 301). Ostrower broadens the issue and claims that “class exclusivity is a major barrier to racial and ethnic diversity” (2002, 53). Ostrower’s research unveiled a perception held by white trustees that “the likelihood is if they’re (prospective trustees) black…they’re not going to be very, very rich. The likelihood is that they’re also not going to have the potential for raising money” (Quoted in Ostrower 2002, 53). Fletcher also found that “social class was an important issue, especially because the desire for economic diversity interfered with the need for large donations from members of the board” (1999, 22).

Brown similarly suggests that nonprofit organizations face “financial limitations” and their need to bring in money from board members “may keep constituents from joining” (2002a, 382). The executive director of a fundraising board surveyed “expressed doubt that service recipients or their families could participate on the board, because of their limited financial resources” (380). Likewise, Karen Brooks Hopkins implied that fundraising requirements can be a barrier to diversification because as part of her diversification efforts, she has “significantly lower financial expectations” for minority members (Hopkins, pers. comm.).
Conclusion

The five barriers to diversification discussed above (self-perpetuating recruitment, board culture, lack of genuine commitment, lack of self-awareness, and financial) all contribute, usually in many ways at once, to a board’s inability to reap the benefits of a diverse membership. Of these, the primary challenges are current recruitment practices and board cultures that do not fully welcome new members. Fletcher appropriately explains, “it is not uncommon for boards to raise objections to diversity, such as the fear of losing fundraising capacity, fear of creating divisions on the board, and simple fear of the unknown” (1999, 24). This fear may be bred out of ignorance. Particularly for boards that don’t actively engage in training sessions, members may be unaware of what is really necessary to diversify, pulling their information only from conventional wisdom, and personal views and assumptions. Formal training through experienced staff or outside diversity or board consultants may be required to pull boards out of their institutionalized practices.
CHAPTER 6
FINDINGS

An exploratory survey of 11 arts organizations with budgets at or exceeding ten million dollars was conducted from March 14, 2013 to April 18, 2013. The survey was only sent to organizations in Atlanta, New York, Houston, Chicago, Dallas-Fort Worth, DC Metro Area, Los Angeles, Miami, and San Francisco, based on research conducted at Pennsylvania State University ranking the most diverse metropolitan areas in the United States (Lee et al. 2012). Responses came from organizations in San Francisco, Los Angeles, New York, Houston, DC Metro Area, and Chicago.

Overall board diversity was higher than was expected. Only one board reported 100 percent white membership, with half of the respondents indicating 80 percent white membership. This could be misleading as more inclusive organizations may have been more inclined to respond to the survey. Three organizations indicated that their boards were “absolutely” diverse and 60 percent of the respondents had a written diversity statement. This reinforces the previous research that shows that many organizations have a written diversity statement but few show actual diversity in the boardroom.

The survey showed that perception of success is tied to actual diversity, but not in a uniform way. The one organization that selected “Yes, absolutely” their board was ethnically diverse showed the same percentages of diversity as two other organizations that selected “Yes, but very little” for the same question. This may not be a problem for the field, but it is something to keep in mind when finding out how willing an organization might be to further diversification. An organization that already considers itself to be diverse may not put in as much effort to further diversification than one that has not yet attained their ideal level of ethnic diversity.
Interestingly, the board with the highest minority participation considered only selected “Yes, somewhat” when rating their diversity.

Six out of the 11 respondents did not answer the question asking whether their board’s ethnic diversity contributes in a positive way to their fundraising efforts. The other five answers all indicated a positive relationship between ethnic diversity of the board and fundraising. Alternatively, only two respondents skipped the question on the negative relationship of board diversity to fundraising. Five respondents indicated a somewhat negative relationship with board diversity and fundraising. This suggests that while some respondents believe that diversity is beneficial for fundraising, most respondents believe that diversity can be harmful to fundraising and may not even consider a positive relationship.

This lack of clarity about the relationship of board diversity to fundraising mirrors the research that already exists. Survey participants clearly indicated that both fundraising and board diversity were priorities for their organizations, but the relationship between the two is not understood. The fact that most survey participants did not answer the question about a positive relationship to board diversity suggests that executives may be thinking about board diversity and fundraising as two separate issues. And of these two issues, fundraising seems to be of primary importance.

With this in mind, nine respondents indicated that board diversity is a priority for the organization. The other two participants skipped this question. Of all of the questions in the survey, this showed the most uniform responses. The majority of respondents believe that board diversity either helps or has no impact on board and organizational success, with the clear majority indicating a positive relationship.
This contrasts with an emphasis on fundraising as a board priority. Over half of the respondents ranked fundraising as the most important board priority, followed by fiscal oversight. 66.7 percent rated public and community relations as the lowest priority. And it appears that connections to money are important criteria for board recruitment.

As expected, the giving requirements for these organizations were exceptionally high. Specified amounts ranged from $15,000 to $50,000 annually. Based on the comments, it seems that recruitment is an issue, whether or not participants label it so. One respondent said:

Like many other organizations, we focus on both diversity and community leadership in our board candidates. Because of the under-representation of ethnic minorities in executive suites and among high net worth individuals, we find that many of the diverse candidates who fulfill our other requirements are over-committed and unable to bring as much time or energy to the process as some of the less diverse candidates.

This highlights the emphasis of “high net worth” as a recruitment strategy as well as the level of status they are looking for. This respondent was located in Chicago, which has a white population of only 45 percent (U.S. Census “State & County QuickFacts”).

For the most part, the survey results support the existing research. The major way in which the results differ from other research is that fundraising and recruitment issues as barriers to diversification are of equal concern to the survey participants. The research to date mentions fundraising, but does not focus on it as an important barrier. The survey results shows, however, that fundraising is a primary issue. It may be a bigger issue for the large arts organizations studied here than for the nonprofit sector as a whole because of the heavy reliance on board for donations.
CHAPTER 7

CONCLUSION

This research focuses on the connections between an arts organization’s fundraising and its board diversity by ethnicity. By drawing together research from different academic areas in a way that has not been done before, the author makes theoretical connections between fundraising and the ethnic diversity of an arts organization’s board. Because fundraising is a central role of today’s nonprofit arts board, using it as a driver for ethnic diversification may make a stronger argument for change than past arguments of equality and community representation. Understanding exactly how ethnic diversity can positively affect a board will make a stronger statement than ambiguous statements about inclusion and fairness.

Main Findings

Boards are severely lacking in ethnic diversity even though the national service organization for nonprofit boards strongly recommends diversity of all kinds (BoardSource 2010). This is due to multiple factors: insular recruitment practices, a non-inclusive board culture, inaccurate views of success and importance, lack of commitment, and financial concerns. Of these, recruitment practices and exclusive board cultures are the main reasons that boards are not more ethnically diverse. Most boards use a self-perpetuating method of recruitment, looking for new members within existing personal and professional networks. This limits the potential pool of applicants and also overextends any ethnic minorities already existing in that pool. Also, boards with exclusive cultures inhibit successful board diversification. By avoiding disruptions in favor of efficient board meetings, treating minority board members as tokens, and being inflexible, boards block the potential benefits of having a diverse membership.
Also barriers to diversification are a lack of full organizational commitment, a lack of self-awareness, and financial concerns. A lack of organizational commitment can be seen with the many boards that have written diversity statements but have no meaningful diversity on the board. And an inability to accurately perceive success prevents boards from understanding the true barriers to diversification, which makes them nearly impossible to overcome. Finally, the research shows that financial concerns do prevent boards from being diverse. And although not a primary barrier for boards as a whole, the survey results suggest that financial issues may be one of the primary barriers for large arts organizations because of their heavy reliance on board giving. Board diversification, especially regarding ethnicity, takes a lot of time, energy, and money. It is only natural to see boards take the path of least resistance.

The demographic composition of a board impacts its success on four dimensions. Greater diversity on the board broadens the board’s network and extends its ability to reach out to and engage multiple constituencies. A board’s composition, whether diverse or not, sends a message to stakeholders about an organization’s values. Theoretically, a diverse board portrays more inclusive values than a homogenous board. Increased diversity on the board also positively impacts the board’s quality of governance. And research shows that board diversity is connected to fundraising, but there is no consistent information strongly arguing that diversity helps or impedes organizational fundraising efforts.

One of the most researched benefits of ethnic diversity is with regard to its effects on teams. Although the findings do not uniformly make a positive connection between ethnic diversity and team performance, there are four factors that can influence a team’s success. The length of time a group is together and the type of diversity appear to have the greatest impact on a team. Research shows that any initial negative affects of diversity fade over time. Ethnic
diversity was also found to have the greatest impact on a team because of its immediately visual nature. Even among visual attributes, ethnic diversity affected group outcomes more than both age and gender diversity. The most consistent research regarding the effects of ethnic diversity on team product and process suggests that a team’s perceptions and attitudes about diversity greatly affect success. Likewise, a board’s attitudes about diversity affect the success of diversification efforts. It is then important that arts managers pay attention to the ways in which they try to diversify their boards and how they manage the process once diverse members have been recruited.

Another significant driver to board diversity can be the potential to reach untapped donors. Current research is limited with regard to the giving patterns of different ethnic communities, but the quickly changing demographics of the United States point to the importance of reaching these potential donors. The research shows that different ethnicities do actively participate in philanthropy, even if their habits are somewhat different than traditional donors. But across all ethnicities, the evidence is strong that if an organization can reach leaders in diverse communities in a meaningful way, the organization will be more likely to secure donations from that community. One clear way to make personal connections to minority donors is to bring people with ethnically diverse social networks onto the board.

I conducted a survey of 74 arts organizations in ethnically diverse American cities, of which 11 responded. The survey results largely support the existing research discussed here, with the exception that fundraising was more prominently featured as a barrier to recruitment and board diversification. Some organizations, however, did claim that board diversity helps their organization’s fundraising efforts. This suggests that there is potential to continue to make the claim that board diversity matters in terms of fundraising.
The current arguments for board diversity are mainly regarding benefits to community engagement, outreach, and board work outcomes. Clearly, given the statistics, these are arguments are not sufficient. Particularly for arts boards, it will be important to understand the fundraising potential from minority populations. Making the case for board diversity as a driver for increased fundraising may be the strongest way arts managers can communicate with boards primarily interested in and engaged in fundraising.

**Limitations**

There are not enough raw data specifically about arts boards. Some of this is due to the small sample studied here, but it also points to the fact that the statistics show such a prominence of homogeneity on boards, there are few boards to study, even if they were to agree to participate. It is also important to take into account that participants of the survey may have been willing to do the survey because they are already interested in diversity, so their answers would trend toward the positive. Although we can make a substantive argument based on the combination of research presented, the fact is that we do not have any significant information about ethnic diversity on arts boards.

Another significant limitation of this research is that much of the source material is outdated. It is possible that this has been a “hot topic” for so long that in depth research is no longer a priority. In particular, the research regarding ethnic participation in philanthropy has not been updated since the 2010 Census.

**Further Research**

There is a need for further in-depth research with board members and executive directors in arts organizations to understand the dynamics at play in these specific organizations. It would be particularly helpful to locate arts boards that are ethnically diverse and research how, in
practice, ethnic diversity affects them and their organizations. Specifically, studies could be done addressing how ethnic diversity on the board affects the board’s donations as well as overall organizational fundraising success. A good avenue for further research would be to get expansive statistical information on board composition in relation to an organization’s contributed income as a whole and specifically from the board.

It appears from this research that large arts boards may have the most difficult time diversifying because of the elite status of their boards and also because of their high giving requirements, but further research could be conducted to verify this. Are other sizes and types of organizations better equipped to diversify by ethnicity? Is this because of smaller giving requirements or other factors? Research questions such as these would help arts organizations determine how to best structure their board for success in terms of ethnic diversification.

Some of the most important findings from this research show that ethnic diversification needs to be managed for it to be successful. Future research could be conducted on what types of management and training lead to successful diversification efforts. Who are the key players in diversification efforts when they are effective? Understanding what kind of management tools are needed for successful diversification efforts would provide practical guidance to organizations undergoing this type of work. Some literature exists in this regard, but there is a need for more rigorous studies.

This research shows that there is a tangential relationship of fundraising to ethnic diversity on an arts board. It also discusses the giving potential of minority populations, but the research this portion is based on is relatively outdated. To make the strongest fundraising argument for board diversity, it will be necessary to do further research on ethnic participation in philanthropy. Along with conducting research based on updated Census data, more studies
consistent in rigor and scope need to be conducted across all ethnicities to fully understand what the future of American nonprofits might look like. This is particularly needed for Native Americans. Future research could also attempt to make connections between ethnic giving priorities and beneficiaries specifically in connection to arts organizations. What types of arts organizations receive minority funds? Does it depend on size, location, or staff and board composition, to name a few? Having this type of information will be key in making a claim that increased board diversity can lead to increased fundraising.
APPENDIX A

SURVEY COVER LETTER

Dear Participant,

I am an Arts Management master’s student at American University researching the relationship between ethnically diverse boards and organizational effectiveness.

I hope you will consider responding to a brief survey that will help me illuminate this relationship. You were selected as a potential participant because you are located in an ethnically diverse American city and your budget exceeds $10 million.

The information you provide will remain anonymous, but if you are interested in receiving an aggregate report of my findings once the data has been collected, I will be happy to make this available to you.

You may find the survey here: https://www.surveymonkey.com/s/2T6Y55Q
The survey is designed to be completed in less than ten minutes.

If you would like to learn more about this research or would be willing to have a short conversation with me about this topic, please contact me by Monday, March 25 at lahirae@gmail.com with the subject heading “survey” or by telephone at 253-508-2534.

Thank you for your time.

Sincerely,
Anjali Lalani
APPENDIX B

SURVEY

Introduction

This survey explores the relationship of fundraising to ethnic diversity on arts boards. It should take no more than ten minutes of your time. The information you provide will remain anonymous.

Questions

1. How do you identify new potential board members? (check all that apply)
   - Personal networks
   - Professional networks
   - Board referrals
   - Advertisements
   - Volunteers
   - Staff
   - Other (please specify)

2. Do you consider your board to be ethnically diverse?
   - Yes, absolutely
   - Yes, somewhat
   - Yes, but very little
   - Not at all
   - Other (please specify)

3. Does your board’s ethnic diversity contribute in a positive way to your fundraising?
   - Yes, always
   - Sometimes
   - Seldom
   - No, never
   - I don’t know

4. Does your board’s lack of ethnic diversity hinder your fundraising efforts?
   - Yes, always
   - Yes, sometimes
   - No, never
   - I don’t know
5. Does your organization have a written diversity statement?

__Yes
__No
__I’m not sure

6. Please indicate the statement that most closely reflects your beliefs:
Having an ethnically diverse board:

__Helps the organization achieve its goals
__Sometimes prevents the organization from achieving its goals
__Doesn’t impact the organization’s ability to achieve its goals
__Other (please specify)

7. Please indicate the statement that most closely reflects your beliefs about how ethnic diversity impacts board effectiveness:
Having an ethnically diverse board:

__Helps the board to achieve its goals
__Sometimes helps the board to achieve its goals
__Makes it more difficult for the board to achieve its goals
__Doesn’t impact the board’s ability to achieve its goals

8. Over the past ten years has your board:

__Become more ethnically diverse
__Become less ethnically diverse
__Remained about the same in terms of ethnic diversity
__I’m not sure

9. Rank the following in terms of their priority for your board: (1 is the most important priority, 6 is the least)

__Fundraising
__Governance
__Leadership
__Fiscal oversight
__Planning
__Public and community relations

10. Is ethnic diversity on your board a priority for your organization?

__Yes
__No
__I’m not sure
11. In your organization, who tends to drive diversification efforts? (check all that apply)

__The Executive Director
__Board Committee
__The Board Chair
__Staff
__Board in general
__Other (please specify)

12. What have been the major barriers/impediments to the ethnic diversification of your board? (check all that apply)

__Fundraising
__Language
__Exclusivity/Elitism
__Recruitment practices
__No viable candidates
__Tokenism
__Lack of institutional commitment
__Lack of board commitment
__Board’s inability to accurately perceive success with regard to diversification
__None
__I don’t know

13. What have been some of the major drivers for your board’s ethnic diversification in your organization? (check all that apply)

__Fundraising
__Better problem solving
__New insights and perspectives
__Community representation
__Community outreach
__Changing demographics of my community
__I don’t know
14. To the best of your knowledge, what is the ethnic composition of your board? (indicate approximate percentages)

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15.* Does your organization have a giving requirement for board members?

__Yes__
__No__

16. What is your organization’s giving requirement for board members? (please indicate the minimum amount required, if applicable)

17. Do you perceive your giving requirement policy as being a barrier to ethnic diversification of the board?

__Yes__
__No__

18. Is there anything else you’d like to share about your experience with building an ethnically diverse board?

Conclusion

Thank you for taking time to complete this survey. If you would be willing to have a brief conversation with me about this survey or any aspect of your board’s diversity, please e-mail me at lahirae@gmail.com by Monday, March 25 with the subject heading “survey.”

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Thank you for your participation,
Anjali Lalani

*This question cannot be skipped.
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