



Breakout Session

Reimagining Board Recruitment that Represents Community

Mando Rayo

Co-Founder and Managing Director
The New Philanthropists



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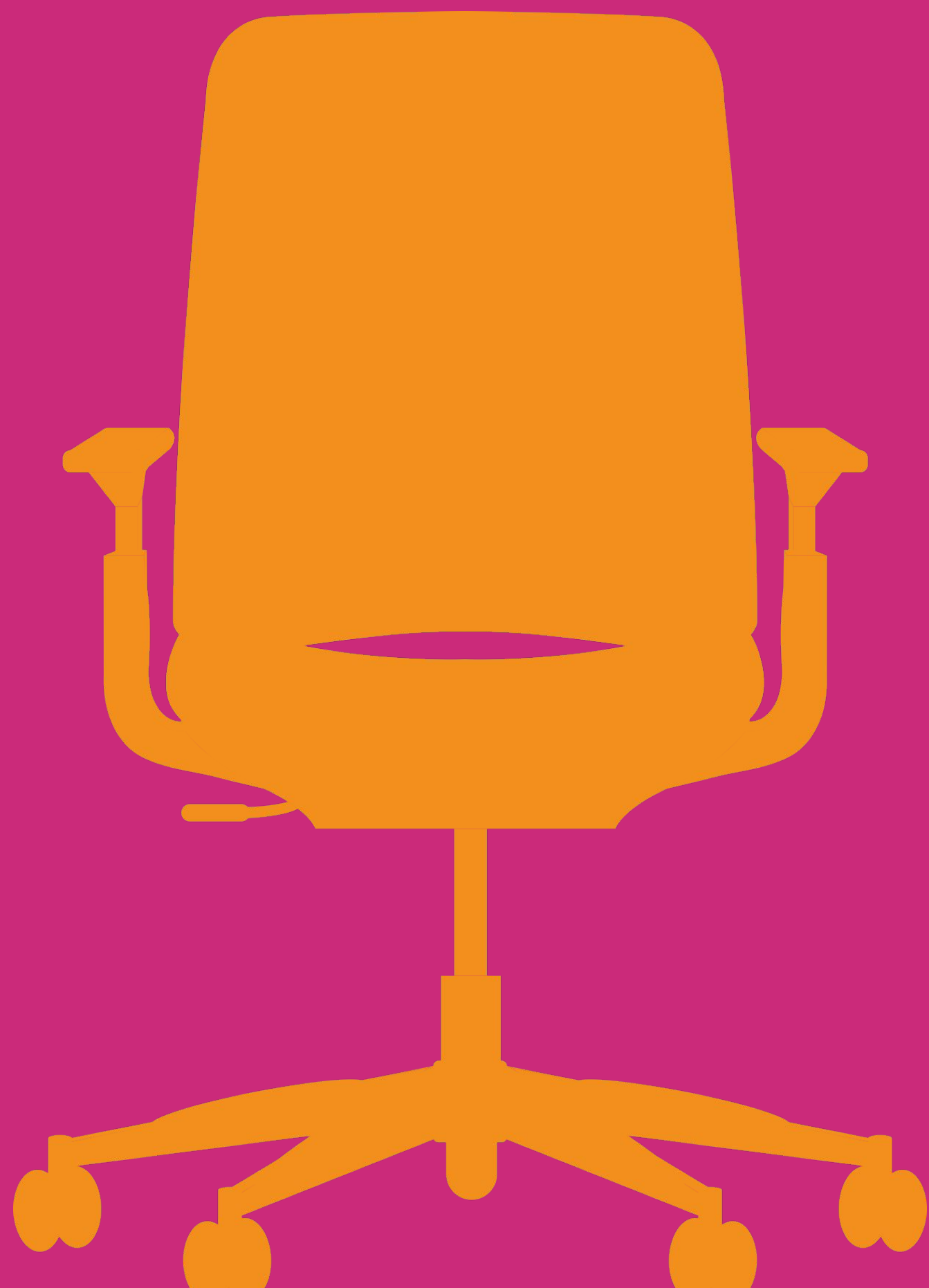
giant squid group



THE **NEW** PHILANTHROPISTS

REIMAGINING BOARD RECRUITMENT THAT

REPRESENTS COMMUNITY



Introductions

THE NEW PHILANTHROPISTS

OUR MISSION

The New Philanthropists is an organization that cultivates diversity, equity and inclusion values on nonprofit boards in order for leaders of color to gain access and opportunity into board service, sustains a board leadership model where ALL can thrive through an anti-racist comprehensive process, and enables nonprofits to be more effective stewards of public trust so that their communities are better served.

STATE OF NONPROFIT BOARDS



KEY FINDING:

78% of board members
report as White/Caucasian

SOURCE: BoardSource 2021 Leading with Intent Report

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DEMOGRAPHIC SUMMARY OF BOARD & EXECUTIVE LEADERSHIP

Race & Ethnicity	Chief Executive	Board Chair	Board Members
White/Caucasian/European	87%	83%	78%
Black/African American/African	5%	6%	10%
Hispanic/Latino/Latina/Latinx	3%	5%	5%
Asian/Asian American/Pacific Islander	2%	2%	4%
Multi-Racial/Multi-Ethnic (2 or more races or ethnicities)	3%	2%	1%
Native America/American Indian/Indigenous	0.3%	0.4%	1%
Other race/ethnicity	1%	1%	2%
Gender & Gender Identity			
Female	74%	53%	53%
Male	26%	47%	47%
Non-Binary	0.3%	0.1%	0.1%
Not Transgender (Cisgender)	99.3%	99.6%	99%
Transgender	0.7%	0.4%	1%
Age			
Under 35	4.1%	4.1%	9%
35 to 44	16%	20%	21%
45 to 54	31%	25%	26%
55 to 64	38%	28%	26%
65 or older	11%	23%	17%
Disability Status			
Without disability	95%	97%	95%
With disability	5%	3%	5%
Sexual Orientation			
Heterosexual or Straight	90%	94%	94%
Gay, Lesbian, Bisexual	9%	6%	6%
Other	1%	0.1%	0.1%

THE BENEFITS ON THE CORPORATE SIDE

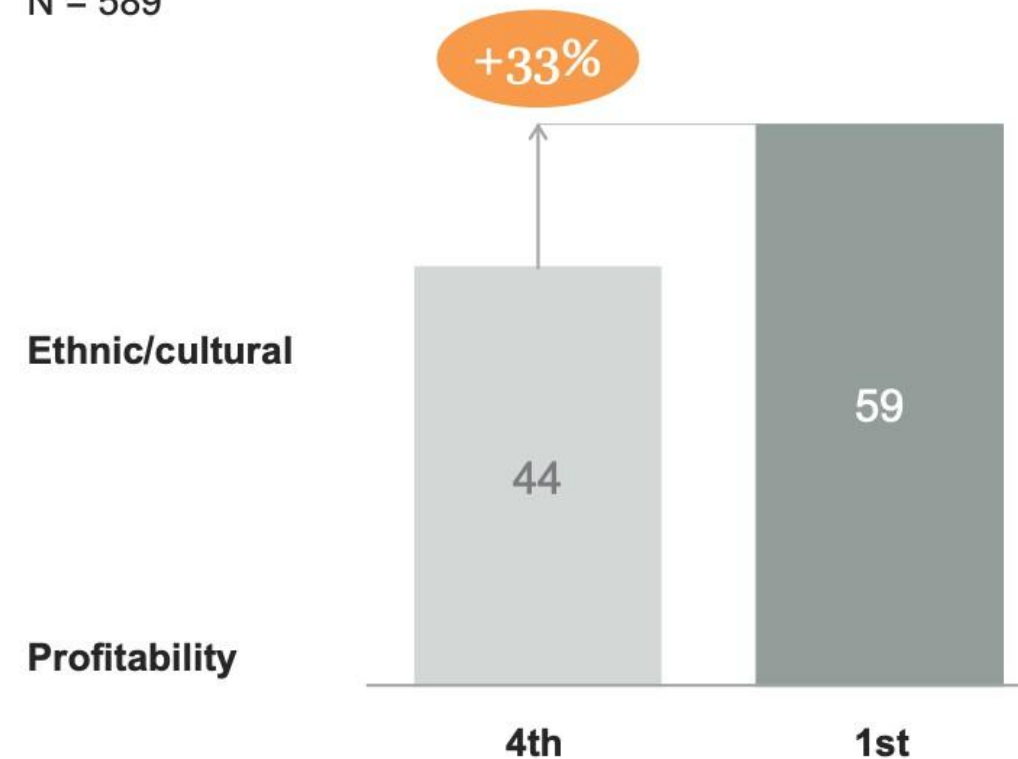
KEY FINDING:

It was found that companies with the most ethnically/culturally diverse boards worldwide are 43% more likely to experience higher profits.

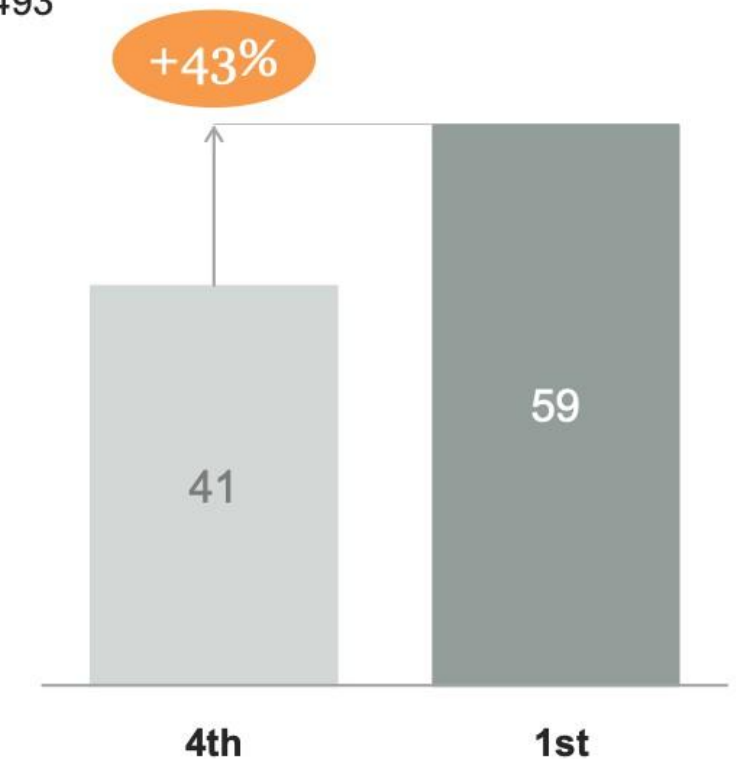
How ethnic diversity correlates with profitability

Likelihood of financial performance¹ above national industry median by diversity quartile
Percent

Executive team
N = 589



Board of directors
N = 493

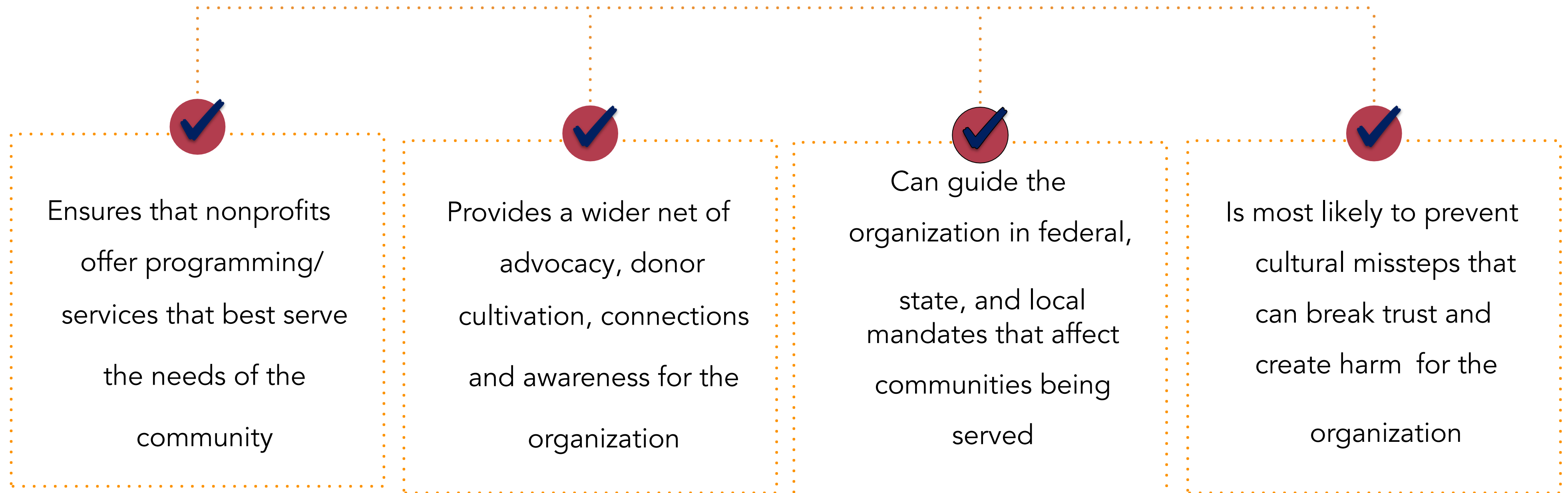


¹ Average economic profit margin 2011–15 and average EBIT margin 2011–15

NOTE: Results are statistically significant at p-value <0.5. Percentages shown here are rounded to the nearest whole number; however, calculation of the differentials in quartile performance uses actual decimal values

SOURCE: Company websites; McKinsey Diversity Matters database

SUSTAINABLE BOARD REPRESENTATION



WHY NONPROFITS EXIST



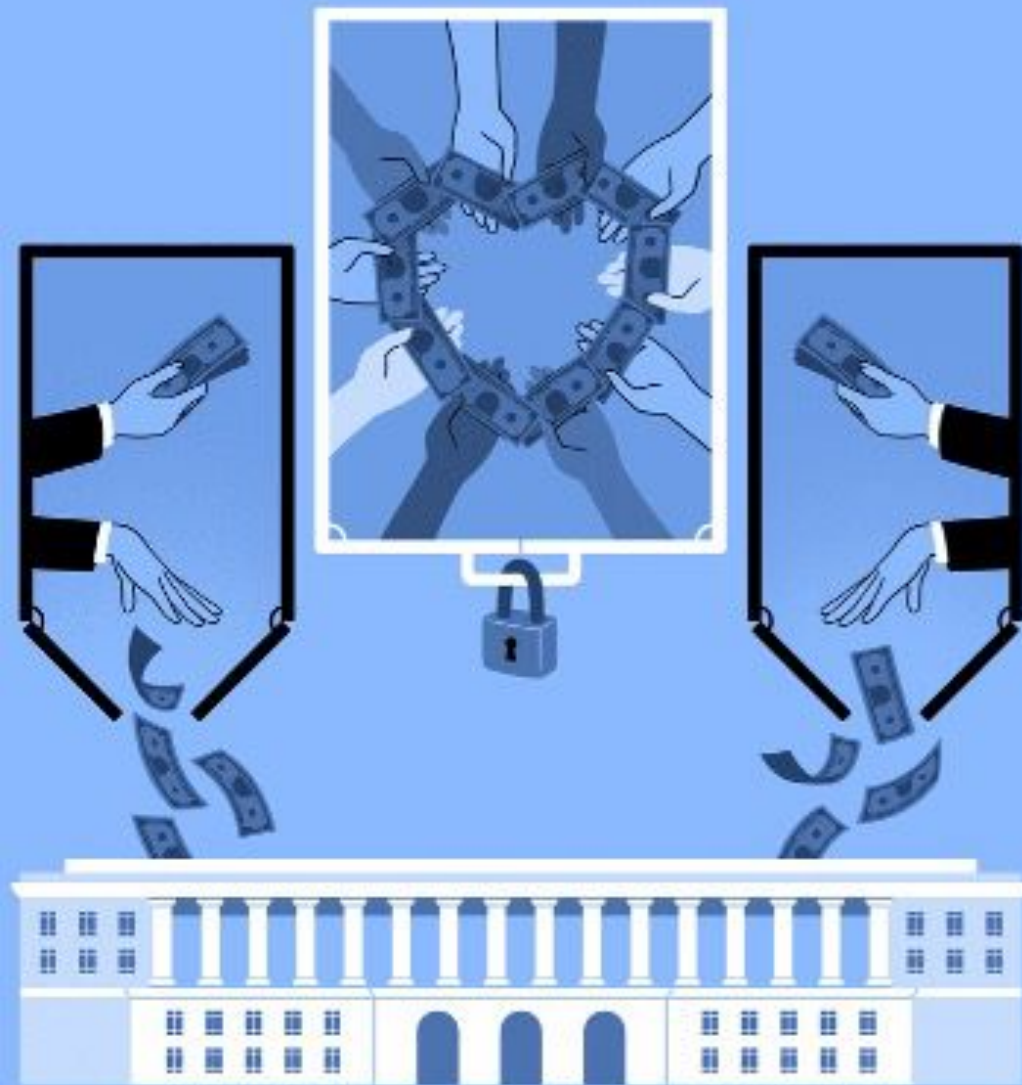
Nonprofit Organization (NPO)

[nän-'prä-fat, ər-gə-nə-'zā-shən]

An entity that exists to further a social cause and provide a public benefit.

To provide a benefit to the public that government can not; as opposed to clubs, cooperatives, etc. that are formed to benefit their members. Nonprofits must serve the public.

HISTORY OF BOARD STRUCTURE IN THE NONPROFIT SECTOR



501(c)(3) Organization

*['fiv-'ō-'wən-'sē-'thrē
,ôr-gə-nə-'zā-shən]*

A tax-exempt nonprofit organization.

Nonprofits get a special tax status because they create a public Good

Public Good is defined by the mission statement

People Gamed the System... So

- **The federal government created statue for Board Governance**
- **Representatives from the community to help steer the nonprofit**
- **Representatives from the community to create public good for the community**

AUDIENCE ACTIVITY



Discussion Exercise

What barriers or challenges keep your organization or grantees from having a diverse and inclusive board?



INSIGHTS CAPTURED

Most common

Barriers

Nonprofit Boards are experiencing
in their DEI journey or starting their
DEI initiatives

- ▶ LACK OF ACCOUNTABILITY
- ▶ NOT KNOWING HOW TO GET STARTED
- ▶ BUDGET CONSTRAINTS
- ▶ NOT PRIORITIZING THE WORK
- ▶ FEAR OF LOSING BOARD MEMBERS/FUNDING
- ▶ MINIMIZATION IS A COMMON ASSESSMENT
- ▶ REFERRAL SYSTEM
- ▶ NOT KNOWING HOW TO APPROACH LEADERS OUTSIDE OF THEIR SILOS /TOKENISM



STEPSTO

Prepar

e

ROLES & RESPONSIBILITIES

BOARD COMPOSITION & DIVERSITY

The composition of the board significantly affects power dynamics. A diverse board – one that includes members from various professional backgrounds, industries, and culturally diverse perspectives – is more likely to challenge norms and stimulate robust and strategic discussions. Conversely, homogenous boards might consolidate power among similar individuals, though it will potentially stifle innovation and oversight.



How can we assure we have a Diverse Board Composition & Representation?

STEPS TO PREPARE



CAPTURING & EXAMINING DATA:

- What are the board demographics (age, ethnicity, skillsets) looked like in the past 2, 3, 5 years?
- What are the demographics on who we serve?
- What patterns rise to the top?

STEPS TO PREPARE



DOCUMENTING YOUR RECRUITMENT PROCESS:

- What does your recruitment process look like from first conversations to voting?
- What has changed from previous years and why?
- What does your onboarding process look like from introduction to board to 6 months to 1 year of joining?

STEPS TO PREPARE



DEVELOPING A BOARD MATRIX:

- Create of a matrix of skill sets, representation, etc. needed on the board and who is filling that criteria.
- This will help prioritize the needs of your board in recruitment and identify any blind spots you may have.

STEPS TO PREPARE



REVIEW EXISTING PRACTICES:

- What tools, documents and processes have been used in recruitment?
- Do these continue to serve the goals we have for recruitment?



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Journey

THE RECRUITMENT JOURNEY



REVISIT ONE SIZE FITS ALL:

- Connection can mean different things to different people
- Your recruitment plan should be adaptive and include multiple ways of making connections and meeting your goals

THE RECRUITMENT JOURNEY



TRANSPARENCY: Board and leadership are aligned and clear on the work they need to do, the gaps and are open to have this discussion with any board prospects.

THE RECRUITMENT JOURNEY



ACCOUNTABILITY: All board members are responsible for creating a board culture that is welcoming, that reflects the values of the organization and that holds space for representation. It's important to define effective board involvement for leaders.

THE RECRUITMENT JOURNEY



COMMON LANGUAGE: Leadership has defined what it means for the organization to be represented by the community they serve and are aligned and prepared with common language to meet this goal.

KEY STRATEGIES TO ALSO CONSIDER



ADVISORY/COMMUNITY COUNCIL:

Consider bringing together an advisory council made up from representatives of the areas you focus on that provides insights, storytelling and pain points.

IDENTIFY BARRIERS:

Review practices, bylaws, term limits, and patterns that have kept you from diversifying your board or including more voices in decision-making.



ASSESS WHERE THE BOARD IS:

Develop and push out an anonymous survey for board members to identify their pain points, opportunities, engagement and accountability levels.

PRIORITIZE CHANGE:

Whether it's holding quarterly discussions, changing bylaws, or hiring a consultant, take action.

TNP'S RECRUITMENT WORKSHOP



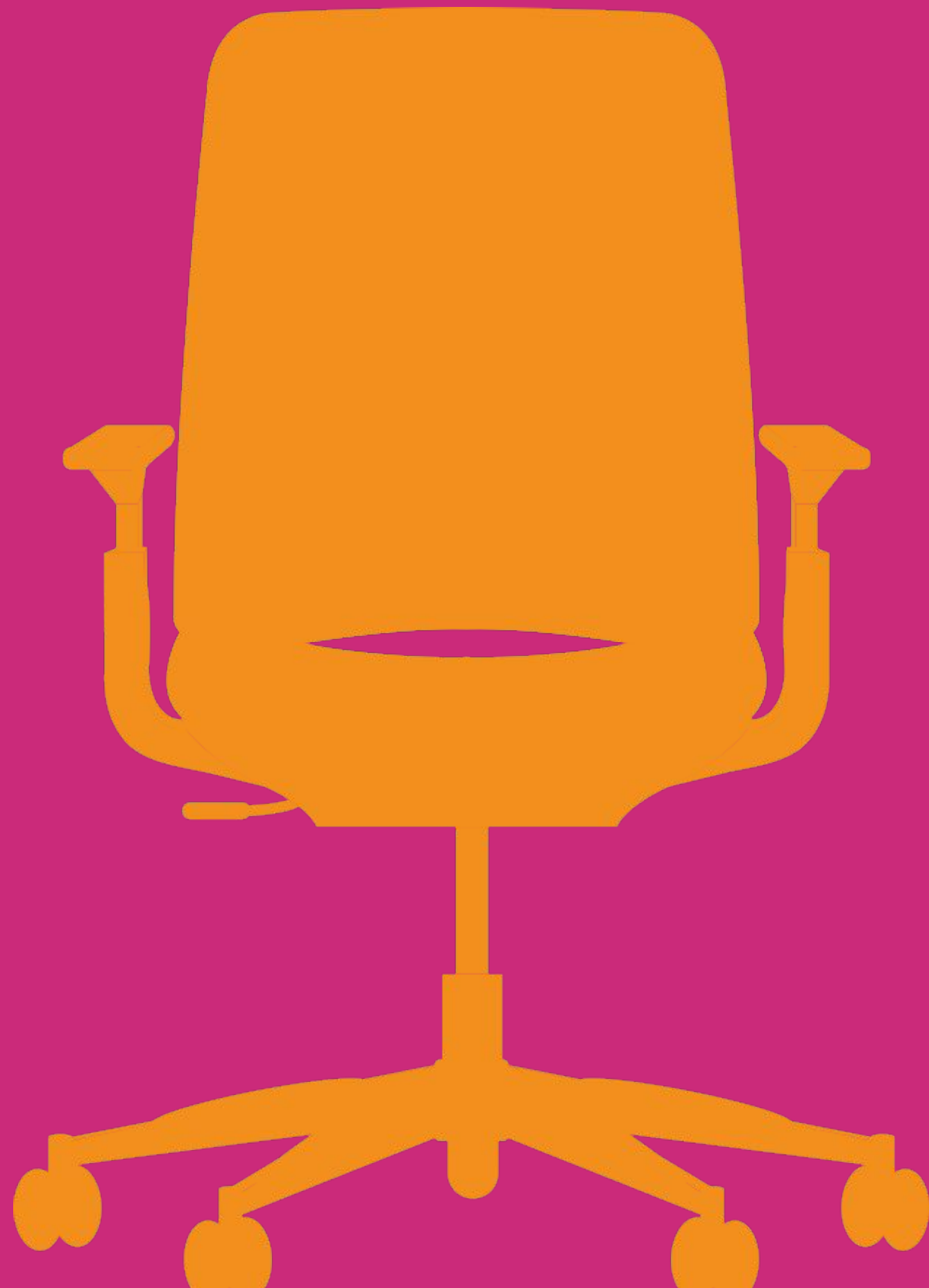
ABOUT:

This workshop takes you and board members through a design-thinking process to:

- Identify who/why you want to connect with new board prospects
- Identify the pain points in your recruitment and onboarding process
- Identify the opportunities in your recruitment and onboarding process
- Begin the process of drafting a new recruitment plan(s) to activate

DURATION: 2 HOURS AND IN-PERSON PREFERRED

PARTICIPATION: Governance/nominations committee and/or whole board



Final Thoughts & Questions

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Thank You

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