Best Practices Snapshot: Learning from Donor Support Organizations’ Equity-Centered Shifts Post 2020

by Ayushi Vig, Nadia Roumani, and the Time to Act Advisory Committee
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The Time to Act 2020 working group emerged from the Impact Driven Philanthropy Collaborative, founded by the Raikes Foundation in 2014. The Collaborative is comprised of key stakeholders in the donor support ecosystem working together to shift the ecosystem toward equity and move resources to justice.

From July 2020 to July 2021, the working group convened monthly to exchange reflections, lessons, and strategies for racially just donor education and advising in the era of COVID-19.

The Time to Act 2020 Advisory Committee includes Stephanie Gillis (Raikes Foundation), Chris Cardona (Ford Foundation), Jennifer Davis (The Philanthropy Workshop), Jason Franklin (Ktisis Capital), Katarina Czarniak (Synergos Global Philanthropists Circle), Dien Yuen (American College of Financial Services), Berit Ashla (Rockefeller Philanthropy Advisors), Nick Tedesco (National Center on Family Philanthropy), Greg Ratliff (Rockefeller Philanthropy Advisors), Stephanie-Ellis Smith (Phila Giving), Jen Jope (Giving Compass), and Jessica Walker Beaumont (Rooted Strategies). The working group and its activities are facilitated and led by Nadia Roumani and Ayushi Vig.
Introduction

Following the murder of George Floyd and the nationwide reckoning with racial justice over the summer of 2020, the philanthropic sector saw a rapid rise in programming, funding, and other initiatives related to racial equity. Multiple donor-serving organizations (DSO’s) for high net wealth individuals introduced equity-themed statements, panels, book clubs, learning cohorts, pooled funds, and more. One year later, this paper seeks to reflect on the DSO sector’s response, share lessons learned, and explore the implications for the DSO ecosystem.

We focus on U.S.-based donor-serving organizations (DSOs), i.e. those who educate and support high net-wealth individuals in their philanthropic aspirations and efforts. We interviewed DSOs that started to address equity following the summer of 2020, as well as those for whom equity and justice have been central to their mission since their founding. We did not include programming targeted at professional foundation staff, identity-based DSO's, or issue-specific funds. Over the course of hour-long interviews with organizational representatives, as well as monthly debriefs and reflections among our Time to Act Advisory Committee, we addressed the following questions:

- How did stepping into more in-depth equity work and programming affect previously-neutral DSOs? What common challenges arose, and what strategies were useful in addressing them?

- What programmatic insights did these DSOs gain from the wide range of equity programming and experimentation in 2020?

- What did these DSOs’ shifts mean for the overall DSO ecosystem (especially for those DSOs who were already centering equity?)
This paper is intended for those practitioners advising, educating, and organizing high net-wealth individuals, especially those who are seeking to deepen their commitment to equity or to understand how to collaborate with other DSOs along the equity spectrum.

We conducted interviews with staff at the following organizations:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Founding year</th>
<th>Program Title</th>
<th>Program Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Center for Family Philanthropy</td>
<td>1997</td>
<td>Racial Justice Learning &amp; Action Network</td>
<td>A facilitated cohort for trustees of family foundations addressing racial equity</td>
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<tr>
<td>The Philanthropy Workshop</td>
<td>1995</td>
<td>Equity and Justice Action Lab</td>
<td>A facilitated cohort for HNW individuals integrating racial equity into their philanthropic strategies</td>
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<tr>
<td>Women Donors’ Network</td>
<td>2002</td>
<td>Ongoing member programming</td>
<td>A community of funders moving money towards advocacy and grassroots groups</td>
</tr>
<tr>
<td>Resource Generation</td>
<td>1997</td>
<td>Praxis</td>
<td>Peer-led cohorts engaging in political education and collective wealth redistribution</td>
</tr>
<tr>
<td>Solidaire Network</td>
<td>2013</td>
<td>Ongoing member programming</td>
<td>A community of donor organizers mobilizing funds to movements for justice.</td>
</tr>
<tr>
<td>Giving Project Network</td>
<td>2010</td>
<td>Giving Projects</td>
<td>Facilitated cross-class, cross-race cohorts engaging in political education, fundraising, and donor organizing to move money to movements through grants to local community organizing groups.</td>
</tr>
<tr>
<td>COVID Injustice Response Circle</td>
<td>2020</td>
<td>CIRCLE</td>
<td>A facilitated peer-learning group to prepare ultra high-net wealth individuals to support community organizing in the wake of COVID</td>
</tr>
<tr>
<td>Chartered Advisor in Philanthropy (at The American College of Financial Services)</td>
<td>2020</td>
<td>Advisors of Color Cohort</td>
<td>Study cohorts to support the leadership of advisors and fundraisers of color</td>
</tr>
</tbody>
</table>
What do DSOs really mean by “equity?”

The word “equity” is now used ubiquitously across the DSO sector, with a range of contexts and meanings. One of the key questions we (and many others!) in the sector have struggled with is how to understand how each particular organization or individual defines equity. In an attempt to address this challenge, we attempted to create a DSO-specific taxonomy of the different levels of commitment to equity. Below is our Equity Maturity Model for Donor Education and Advising. The model demonstrates a progression towards a full commitment to equity, with level 0 representing a DSO that is upholding the status quo, and level 3 representing a DSO addressing systemic racism and inequality as part of its mission.

Our model is inspired by several preceding frameworks: Equity in the Center’s Awake to Woke to Work model for the social sector, Dr. Evangelina Holvino’s Multicultural Organizational Development model, and Deloitte’s Diversity and Inclusion Maturity model.
**Level 0**

At the passive stage, efforts are exclusive and/or aimed at maintaining the status quo. DSO leadership defends their perceived “neutrality” and may be only superficially focused on “diversity.” Equity is seen as a single issue area, often separate from the organization’s mission.

Little to no attention is paid to the diversity of donor network, staff, and board, and concerns about equity are left unaddressed or unfulfilled. There is lack of engagement with equity conversations—except perhaps bandwagon statements of support in response to crises.

**Level 1**

At the representation stage, efforts are focused on representation without making any major changes. DEI is understood primarily in terms of demographics and target numbers. “Listening and learning” is emphasized over “action,” and work often includes members outside the dominant group only if they “fit” dominant norms and culture.

Programming is often responsive to equity crises and short-lived and may include introductory panels and webinars on increasing diversity and inclusion within portfolios; organization may host some book clubs or unconscious bias trainings. There is minimal resistance from donor members.

**Level 2**

The integration stage is about ensuring equity across organizational culture and systems. Equity is a priority for staff and board. The DSO takes responsibility for a long-term change management strategy to integrate equity across the organization and expects and welcomes discomfort (even from donors!) as part of equity work.

Staff and board are learning about equity and examining internal culture. There is some resistance and discomfort from staff, board, or donors. Programming emphasizes and supports action on equity issues (beyond learning) for donor members.

**Level 3**

At the accountability stage, equity is seen as a foundational value for the organization and its leaders commit to addressing systemic racism and root causes of inequity internally and externally. Redistributing power is seen as a core tenet of equity work. Values and beliefs are internally and externally consistent. Each staff, board, and donor member understands how equity aligns with their role. The organization does not see itself as a donor “serving” organization, but rather as a donor “organizer.”

There is clear screening or communications to attract donors who are in strong alignment with the DSO’s equity-centric values, and there is continuous learning and action in efforts towards equity and justice.

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Time to Act 2020
The summer of 2020 served as a push for many DSOs to move from level 0 towards level 1, where they are introducing DEI primarily from a demographic standpoint, and equity as a separate issue area. The goal in level 1 is often towards increasing diversity among staff and board, or among one’s philanthropic portfolio to include more grantee organizations led by people of color. Level 2 is where DSOs begin to commit to an equity culture and strategy for the long-term, integrating it across their policies and practices.

There is a key transition stage between levels 1 and 2; it can be a place of tremendous uncertainty and discomfort, as well as pushback from DSO staff, board, and donors who may be resistant to change and wish to uphold the status quo. The challenges of this stage can keep organizations stagnant at level 1, or even cause them to revert back to level 0. Of course, not all DSOs will progress towards the right-hand side of the spectrum; some may maintain their Level 0 or Level 1 status throughout their existence. On the other hand, some DSOs may be at Level 3 since their founding.

This paper focuses on DSOs that have been able to successfully navigate this pivotal transition stage, either to level 2 or even to level 3. We explore the factors that helped these organizations to move through the discomfort of this stage, and the lessons learned. As one common challenge was the feeling of being alone or vulnerable in this work, or indeed of doing it incorrectly in the face of pushback, we hope that our paper can communicate to other DSOs that this transition stage is a natural part of the process (indeed, it means that you are on the right path!), and offer some insights from those who have navigated its tensions successfully.

The paper also shares insights from DSOs who have been at level 3 since their origin.
Lessons learned from DSOs in transition stages

Below are common patterns and insights among DSOs who progressed successfully from Levels 0 or 1, towards Levels 2 or 3.

Challenge: DSO boards as barriers

DSO boards were commonly cited as the most significant barrier DSOs faced in deepening and solidifying their commitment to equity. Often the role of the board within the DSO, as well as its relationship to staff, are not clear. This leads to an implicit dynamic of boards acting as gatekeepers and arbiters of organizational change, i.e. staff and DSO leadership must wait for the board’s sign-off to make organizational shifts towards equity. Given that board members tend to consist of members of dominant groups, their “personal equity journeys” often severely limit DSOs' progress towards equity. Further, DSO boards often consist of DSO members themselves, i.e. donors, adding complexity to the power dynamics between staff and board. Many board members also struggle with the uncertainty of the transition phase, raising questions and concerns about alienating their member donors or about long-term strategy.

Strategy: Work with the board in deepening organizational commitment to equity, while supporting and uplifting the leadership of staff as needed

DSOs who have been successful at advancing through the transition stage shared that they began with a grounding in the board’s role in the DSO’s shift towards equity. They defined their board as a co-learner and supporter of staff, learning and exploring alongside the rest of the organization and following the lead of staff when necessary. They also gave them clear areas of responsibility, such as serving as an external ambassador for the DSO’s commitment to racial equity, shaping a culture of equity within the DSO, and ensuring that financial practices are values-aligned.

They then focused significant time and energy on providing their boards with trainings and workshops to build their personal analyses of systemic racism and injustice, as well as to specifically understand how the philanthropic sector fits within and perpetuates that context. They also made it a point to continually share the reception and impact of new equity programs with the board, often even having them participate in pilot initiatives.

Lastly, they provided training and support for staff members on navigating organizational power dynamics and hierarchies and on stepping into organizational leadership through trainings and advising sessions.
Challenge: Fears of alienating long-term members

“Coming out” with a commitment to equity was nerve-wracking for DSOs that were previously “neutral” or not explicit about their position on equity. Many DSO leaders and boards feared alienating long-term member donors, and this was often held DSOs back for some period of time from making progress through the maturity model.

Among our research sample, we found that, while DSO’s did tend to lose some members in the transition process, each of our participants was rewarded with new members who aligned with their values. Their newfound commitments to equity attracted members “who want to come together around a shared mission, not just a shared identity of wealth” (Anonymous participant). Additionally, if the equity-centered programming was delivered thoughtfully and well facilitated, the vulnerability and personal growth associated with these programs also brought existing members closer together.

These findings, combined with the rise of interest in equity work from next-generation donors, suggest that those who stick through the transition phase and thoughtfully integrate equity into their offerings will be rewarded with a renewed and strengthened base of member donors.

Strategy: Expect, plan for, and lean into the loss of members--as well as the gain of new members

While some long-term members may be alienated, new members who align with the organization’s vision will also join, likely in significantly larger numbers. As more donors shift towards prioritizing equity, over the long-term equity is also an important member recruitment and retention strategy. DSOs who successfully navigated this challenge visualized the kinds of members they wanted to retain as well as attract, and focused staff and board energy on proactively conducting outreach and recruitment for new members. They also emotionally and strategically prepared staff and board for difficult conversations with DSO members who were resistant to moving away from the status quo.
Challenge: Balancing urgency with integrity and sustainability

Equity work often feels urgent, especially in the context of the many crises of 2020. However, rushing into designing equity-focused programming without the DSO yet having a strong capacity to do so actually did more harm than good, leaving board, staff, and donors feeling either overwhelmed and shut down, or attacked and defensive. It can also lead to burnout, especially among staff. These negative consequences can increase a DSO’s chances of reverting back to level 1 or even level 0 on the maturity model.

Strategy: Build out a long-term equity change management strategy from the onset--before a dedicated cohort or program!

Dabbling in equity work can do more harm than good for organizations. Understand how equity fits into a DSO’s long-term goals and strategy, beyond the next 6-12 months. As a DSO finishes its first set of equity programming, the question of what’s next often arises. Will the DSO continue to offer equity-specific programming? Will the DSO begin to integrate equity into other issue-specific programming? Will equity come to be at the core of every aspect of the DSO’s work? There are no right answers to these questions; it depends on the DSO’s goals and values. However, it is important to set clear expectations about the DSO’s equity trajectory with staff and with members. Emphasize that the process is not linear will entail a degree of uncertainty, as part of the journey is continuing to explore new questions and challenges together with members. Otherwise, there is room for disappointment and alienation among donors as well as staff.
Challenge: Turning the equity lens back to the DSO

As DSOs worked with their members to build donors’ equity analysis and strategies, many of them found that donors began to critically examine various aspects and spaces of their lives—including the DSO itself. Donors became curious about the DSO’s internal equity practices and policies, and began to hold DSOs accountable to the same standards to which they were learning to hold themselves. Often, DSOs were not prepared for such questions, especially since much of their equity work began with reactive programming in 2020 without the time to address internal equity as deeply. If donors were met with defensiveness or felt a lack of internal organizational alignment, they felt alienated.

Strategy: Examine your DSO’s internal equity practices and policies

Designing a long-term equity change management strategy to include internal learning and shifts will help with this immensely. DSOs that successfully transitioned between levels 1 and 2 shared that they spend at least as much energy, if not more, on learning to “walk the talk” as they do on teaching equity to their member donors, often hiring external consultants or new staff members to take on this role. They are willing to reflect on their own practices transparently and vulnerably, and recognize that equitable philanthropy requires not just individual donors, but all the structures and ecosystems that support them, to transform.
On designing group dynamics

The process of group formation for equity work has unique dynamics and cohort needs that require extensive thought and consideration. Donors want to learn about equity with peers at similar levels of knowledge. When participants feel “behind”, fears around saying the “wrong” thing and making mistakes can get in the way of learning. As one interviewee mentioned, “Normally, it’s a value-add to have a diversity of experience in a group, but with equity, people often want to know-- ‘is he as woke as I am?’” Similarly when participants feel “ahead”, they feel pressure to educate and influence other donors in a way that can feel exhausting. These dynamics especially tend to play out between donors of color and white donors, with donors of color often performing the additional labor of educating white donors, making it all the more important to plan group dynamics in a way that allows for each donor to show up fully as a participant.

On balancing self and systems, learning and action

In designing an equity-focused curriculum, it is important to find a balance between the focus on the self and on society and systems change. Equity work is personal in a way that other issues often are not, and it is especially important for individual high net wealth donors, whose interpersonal patterns affect their philanthropy much more so than in institutional philanthropy, to examine their biases and assumptions around equity. However, it is essential to continually challenge the navel-gazing that can sometimes show up in this work, to ground donor reflection and processing in the goal of systemic change and push donors towards action. Otherwise, we run the danger of stopping at “listening and learning”, and never moving towards action and transformation. Some examples of strategies DSOs used to do this were setting the expectation upfront that the program welcomes discomfort and will support participants in sitting with it, sharing visions for a just world such as the Just Transition framework, and building action components into the curricula in the form of capstone projects or pooled giving.
On centering the donor

Among DSOs which have traditionally centered the donor experience (in the name of “serving” the donor!), there has been a rise in conversation about the need to center communities rather than the donors. Each of our interviewees expressed the need to decenter donors as part of equity-focused programming, but also named the inherent tension in this process -- decentering the donor too quickly can also alienate donors from the process itself. As one interviewee mentioned, “we start with donor-centered reflections in order to get them to understand the importance of decentering themselves and support them through that process….without first meeting people where they are, it becomes incredibly hard to actually move them.”

For some programs, whose leadership was less concerned with alienating donors, they used the approach of sending very clear signals to identify donors who would be aligned with equity-centered programming from the onset. For example, they included questions about power dynamics in program application questions, clearly signaling the types of questions they anticipated addressing in the program, or addressed challenging questions around wealth redistribution in the first session. They noted that although they had a few dropouts early on in their programs, they experienced significantly increased program retention rates and decreased interpersonal tension as a result.

On facilitation and implementation

Many of the DSOs designing these equity-centered programs shared that facilitation was a key challenge for HNW individual equity programming. Each DSO needed to build internal capacity to implement their programs with integrity, from coaching and advising skills, facilitation skills, somatic trainings, and grounding in lived experience as well as historic practices, literature, and frameworks. Many DSOs found it helpful to build “lag time” into their equity strategies to prepare. One interviewee said they took six months to build staff capacity before launching any equity-focused programming, specifically--while continuing to communicate with their members about their plans and intentions.
Advice and insights from DSOs centering equity and justice (Level 3) to other DSO leaders entering this space

Among DSOs who have focused on advancing equity among HNW donors for some time, such as Resource Generation, Solidaire Network, and Giving Project Network, there is some hope and excitement about the increased focus on equity in the DSO sector. However, there is also some concern, and a common set of requests to DSOs advancing along the equity maturity model:

- **Equity work should not be short-term or reactive:** It can be harmful to introduce equity-focused content or fail to integrate the content thoughtfully. For example, one interviewee shared her fears around seeing the concept of “reparations” being taught as individual acts of giving, in a way that has nothing to do with the original concept of repair and redistribution on a systemic scale. It takes persistence and courage to commit to equity for the long-term. Leaning on peers and colleagues during this process can be extremely helpful, although it requires a degree of transparency and openness for which traditionally competitive sectoral relationships do not allow. This will require from each of us, as peers and colleagues, imagining a new way of collaborating across organizational interests.

- **We need DSOs who are along the maturity model spectrum:** Leaders running equity-centered DSOs did not necessarily want all DSOs to be working at level 3 along the Equity Maturity Model. Instead, they acknowledged that the spectrum of offerings in the sector is important to reach donors who are along this spectrum-- and they did not want an organization that is truly at a level 1 or 2 to be conducting equity-focused work poorly.

- **It is important for DSOs to be explicit about where they stand:** Leaders of Level 3 DSOs shared that when DSOs are not explicit about where they stand on equity, it creates too much noise in the ecosystem and it can be difficult to sort through. This makes it harder for donors and peer DSOs to identify with which organizations they want to be in relationship; otherwise mismatched expectations can create unnecessary hardship, confusion, and harm. Being explicit about one’s position on equity could include stating clearly online, in events, or with colleagues, what one’s DSO does and does not stand for.

“Hold humility that our program will only be one step along someone’s learning journey. We can embrace that we need all the programs in the ecosystem. We need programs that are helping donors fumble with talking about race, and programs for those who want to dedicate every hour and every dollar to liberation and every program in between.”

- Jason Franklin, Solidaire Network Board Member
Deepening an organizational commitment to equity is a challenging process, consisting of both personal journeys for staff, board, and member donors, and an organizational journey. It is not—and should not be—as simple as designing a singular equity curriculum; just like any other change management strategy, it must be treated with delicacy, intention, and rigor, and designed for each DSO’s unique circumstances. Fortunately, there are many DSOs who have already experienced, or who are currently experiencing, such shifts, who can demonstrate the rewards of pushing through the uncertainty of the transition phase as well as share the lessons they learned in doing so.

This paper has offered an Equity Maturity Model for Donor Education, Advising, and Organizing as a common framework with which to understand the range of what a commitment to equity can mean in the DSO sector, as well as the journeys that DSOs undergo in deepening their commitments to equity. We offer strategies for navigating the uncertainty of the transition point between levels 1 and 2, as well as insights from level 3 DSOs in the context of the increase in progression during the crises of 2020.

Based on the philanthropic sector’s history of harm and complicity in systems of extractive capitalism and colonialism, the authors of this paper share concerns about whether we will once again fall back into familiar “boom and bust” cycles of equity following the initial perceived novelty of 2020. However, we are energized by our observations of a widening discourse on philanthropy and equity both publicly and within the sector, as well as by our participants’ willingness to not only navigate uncertainty organizationally, but to share vulnerable reflections and lessons with the field.

“Lately every organization wants to say the right thing, but that actually makes it so much harder for us to navigate the landscape—it is hard to tell who is seriously committed and who is not. I wish we could all be really clear about who and what we are for and not for. Racial equity and racial justice are part of a struggle for systemic transformation of the system of racial capitalism. The more clear we can be about this, the more space we can create for those who are ready to commit to this transformation.”

—Anonymous interviewee
Based on this research as well as the experience of the Time to Act working group (in itself a novel form of collaboration and experimentation across DSOs), we would like to close with the following urge to our colleagues: A true commitment to moving HNW individuals towards equity will require a transformative change in the structure of the DSO ecosystem. It will require us to reimagine the ways in which we work with one another--how we collectively vision, how we collaborate and share insights and reflections, and how we hold each other accountable. As we think about long-term equity strategies, we must look beyond our individual organizations, members, and needs, and towards a shared vision for the future of our sector.

We must be honest and clear, internally and externally, about where each of our DSOs sits on the equity maturity model. This is necessary if we are to understand how each of our work fits together, where we can support one another, and what gaps remain.

And we must keep stepping into courageous community with other DSOs. Working towards a more just world will always be filled with uncertainties; more often than not, however, we are not alone in the challenges and questions we are exploring. By daring to be vulnerable and transparent we can invite support from peers and colleagues navigating similar stages, as well as those further along, and embody to our donors the values and vision we hold for the world.

Continued research and analysis of the DSO sector will also be important to reflect on our progress and exchange lessons strategies. Future studies are needed to examine 2020’s impact, if any, on the number of DSOs pushing through the transition stage, as well as what factors influence whether an organization progresses through the maturity model, stays stagnant, or reverts. Researchers can also investigate the implications of the maturity model on organizations serving philanthropic advisors. Future learning efforts can also address more deeply the advice and requests Level 3 DSOs have for those across the maturity spectrum, as well as identify greater opportunities for DSOs across the spectrum to collaborate towards a shared vision for the sector. Above all else, practitioners (led by Level 3 DSOs) should clearly identify a vision for the DSO sector, around which to collaborate and organize.

Questions? Comments? Curious about applying the Equity Maturity Model to your organization, or on how to integrate these lessons into your DSO’s equity strategy or programming? Want to collaborate on future research? Please contact Ayushi Vig from the Time to Act working group at ayushivig3@gmail.com