



BOARD DIVERSITY AND PERCEPTIONS OF EQUALITY OF INFLUENCE

Of trustees responding to our survey, 19 percent identified themselves as members of racial minorities—and responses to survey questions did not differ between non-minority and minority trustees. However, our analysis reveals an important dynamic with respect to race in the boardroom: The number of minorities on a board is related to ratings of equality of opportunity to influence the board—with members of minorities who are one of only one or two minorities in the boardroom perceiving less equality of influence.

Specifically, people of color who were members of the 17 boards with only one or two minorities serving on the board answered the question related to whether each board member (with the exception of the chair and CEO) has equal opportunity to have influence on the board lower than did the non-minorities on the same board—and lower than did minorities on boards with a greater minority presence.¹ On the 22 boards with three or more minority trustees, minority ratings on this dimension are significantly higher.²

In an interview, one CEO who described his own board’s evolution as it has become more diverse in a variety of ways noted that “[diversity] brings with it sometimes greater work to do to achieve consensus and to maintain harmony and forward progress. But in comparing decisions made now with those previously made, I think everyone would agree we know so much more about the organizations and the field which we are serving. We simply have more knowledge.”³

For those boards that have only one or two board members who are members of racial minority groups, it is important to understand the dynamic that appears to exist with respect to perceptions of equality of opportunity to influence the board. Understanding that dynamic creates an opportunity for it to be addressed and ameliorated, such that members of racial minorities feel able to influence outcomes in the boardroom to the same degree as their non-minority colleagues.

RELATIONSHIP OF NUMBER OF MINORITIES ON THE BOARD TO PERCEIVED EQUALITY OF INFLUENCE

Do you think each board member (with the exception of the chair and the CEO) has equal opportunity to have influence on the board? (1–7 scale)

	AVERAGE RATING ON BOARDS WITH FEWER THAN THREE MINORITIES	AVERAGE RATING ON BOARDS WITH THREE OR MORE MINORITIES
MINORITY RESPONDENTS	5.1	6.0
NON-MINORITY RESPONDENTS	5.8	5.6 ¹

¹ The difference between the ratings by non-minority respondents of 5.8 on boards with fewer than three minorities and 5.6 on boards with three or more minorities is not statistically significant.

Note: Averages are based on 19 minorities and 136 non-minorities from 17 foundation boards with fewer than three minority members and 77 minorities and 285 non-minorities from 22 foundation boards with three or more minority members. Trustees included in this analysis self-identified their race.

- 1 Analysis of differences between minorities and non-minorities controlled for board size and tenure of individual trustees. We found no difference between minority and non-minority ratings of board dynamics based on percentage of minorities serving on the board.
- 2 John Michael Daley and Julio Agnulo, “Understanding of the Dynamics of Diversity Within Nonprofit Boards,” *Journal of Community and Development Society*, vol. 25 num. 2 (1994): 174. The authors distinguish between “demographic diversity (having a diverse board composition) and functional diversity (incorporating the diverse voices of perspectives into the policy-making process).”
- 3 Similar analysis was conducted for gender. We found no differences between men and women on ratings for any question on the survey. Analysis taking into account the number of women on the board also revealed no differences in male and female ratings.

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