A national study produced in partnership by CommonGood Careers and the Level Playing Field Institute April 2011

## **EXECUTIVE SUMMARY**















## **Survey Methodology**

Data was collected July–October 2010 using a 28-question survey assessing current and former nonprofit professionals on their perspectives on racial diversity in nonprofit organizations, employee outreach strategies, and demographics. The survey was promoted nationwide through Commongood Careers' 25,000 subscriber e-newsletter list, as well as other membership groups and publications.

## **Survey Findings**

Stated values and beliefs about the importance of diversity are not enough.

A significant disconnect exists between the stated values and beliefs of nonprofit organizations regarding the importance of racial diversity, and their attempts to proactively increase diversity and inclusiveness within their organizations. Only 25% of employees who believe their organizations value diversity also believe their organization has actively demonstrated their commitment to creating a racially diverse environment. This perceived duplicity perpetuates a cycle with several negative outcomes, including:

#### • Inability to attract employees of color

- 71% of people of color stated that they attempt to evaluation the commitment to diversity of prospective organizations during the interview process. The strongest indicator of a genuine commitment to diversity was the diversity of the staff.
- 35% of those who evaluated diversity commitments during the interview process had previously declined a job due to lack of perceived diversity.

## • Increased employee dissatisfaction and inability to retain top talent

 27% of people of color within the sample reported having left a job due to dissatisfaction with diversity and inclusiveness.

# If you can't retain who you have, you won't be able to recruit who you want.

This study finds concrete evidence that an organization's stated and actual commitment to diversity is a key factor in recruitment and retention, especially among employees of color. This report presents a different perspective than the discussions about the surplus of talent in the current economic state that we have been hearing about for the past several years – that nonprofit employers are facing distinct recruiting and retention challenges which are affecting the diversity of organizations and diversity within the nonprofit sector.

Time is running out. Nonprofits cannot treat the diversity objective as something to work towards gradually. When the economy recovers, we will again be competing for top talent. Diversity is a key factor in the ability of nonprofit organizations to compete for talent and nonprofits must be poised to be prepared to fix things now. A clear and comprehensive commitment to racial diversity reflected through the organization that is being acted upon with results will significantly impact recruiting and retaining diverse employees.

#### **Strategies for Change**

- 1. Have open conversations about race that lead to clarity, consensus and commitment and include all levels of employees, especially executive leadership.
- 2. Communicate effectively about diversity commitments.
- 3. Develop partnerships and networks that facilitate effective recruiting.
- 4. Ensure hiring processes that are equitable and inclusive and free of hidden bias.
- 5. Embrace, develop, advance and retain employees.

Download the full report at: http://tinyurl.com/diversityreport