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Foundations Bet It All on Advancing Equity

By Rebecca Koenig



FRED JOE

Mario Parker-Milligan of the Oregon Student Association discusses the Meyer Memorial Trust's new, equity-focused grant-making approach at an information session hosted by a Latino labor union.

Three years ago, after an emotional staff retreat that focused on race and injustice, the Meyer Memorial Trust identified a new purpose: advancing equity.

At the time, employees at the now-\$790-million Oregon foundation didn't know just how big a shift that would require. But they saw that years of philanthropic effort had done little to improve life for many, especially people of color living on the edge of the economy. And they were determined to do something about it.

"I don't think there's anything more rewarding or important," says Doug Stamm, the organization's chief executive.

Meyer is one of several grant makers nationwide that are dramatically reshaping themselves to put issues of justice and equity across lines of race, gender, and class at the heart of their work. International powerhouses like the Ford Foundation, major community grant makers like the San Francisco Foundation, and regional donors like the Weingart Foundation in Southern California have sought input from marginalized communities, recruited diverse board members, and shifted spending priorities to better address the country's inequality crises.

Yet working toward equity is not as simple as creating a new grant channel or hiring more minorities, say those who have undertaken it. It isn't a goal to achieve so much as a process, one that takes time, introspection, and challenging conversations.

Equity, foundation leaders say, is hard. But they're betting it's the key to unlocking solutions to social problems philanthropy has struggled with for generations.

"We're pushing all our chips to the middle of the table around economic and racial inclusion," says Fred Blackwell, chief executive of the San Francisco Foundation.

A Hallway Full of Doors

After identifying equity as the foundation's North Star, Meyer Memorial Trust staff members quickly realized they needed to shift away from the norms of the white, middle-class world — "the dominant-culture approach," as Mr. Stamm calls it — and adopt a more multicultural perspective. The foundation created an equity team representing all of its departments and encompassing men and women, white people and people of color. Through multiple meetings, the team crafted an equity statement and identified priorities intended to bring the institution in line with the values of equity, diversity, and inclusion.

Creating a human-resources department to improve hiring practices was high on the list, as was hosting trainings for staff members about race, gender, and class. The foundation sought to imbue all aspects of its operations with equity consciousness — for example, listing on employees' online staff bios the gender pronouns by which they wish to be referred. The equity team operates largely through the work of subcommittees, which gets more staff members actively involved.

The scope of the work can feel overwhelming, says Cristina Watson, a program officer at Meyer and co-chair of the equity team — like "when you open a door and see a hallway full of all doors, and you know you have to open them all."

Indeed, the path toward equity is far from linear. Following it, leaders say, takes good training from skilled facilitators. Communicating the directions means learning a new, shared language laden with -isms and identities. And making sure no one lags behind requires an acceptance of what Ms. Watson calls "nonclosure" in the decision-making process — valuing consensus-building over efficiency or speed.

"A previous version of me would have said this is a lot of process," she says. But "it's more important for us to do this work thoughtfully and intentionally than it is for us to check things off our priority list."

Revamping Hiring Practices

That's not to say the foundation didn't make concrete changes. For the Meyer Memorial Trust to practice the equity it preached, and to tap into the communities it wanted to serve, its staff needed to reflect the diversity of those communities, leaders decided. So they changed the foundation's hiring tactics.

To find people to fill three executive-level openings, Mr. Stamm spoke with leaders of color and people from marginalized populations in Portland. He asked for advice from peers who participated in Philanthropy Northwest's chief executive cohort on equity. And he hired a recruiter with a track record of finding diverse leaders.

Now, four out of seven members of the trust's executive team are people of color, "and they are all from Oregon," Mr. Stamm says. "People would say that Portland and Oregon are too white" to produce a diverse talent pool, he says. "We busted that myth."

At the same time, the foundation switched to a team-based structure to oversee its program areas. The previous model relied on experienced program officers pulled from an exclusive group of applicants, most of whom had held executive-director positions at nonprofits, says Candy Solovjovs, director of programs for the trust.

Under the new model, responsibility for each grant portfolio is distributed among people with different levels of expertise: a director, program officers, and a program associate. It allows people who have relevant life experience and skills — but perhaps not a traditional resume — to participate in the grant-making process. And it creates a promotion pipeline to help people move up the career ladder.

Elisa Harrigan was enticed to join Meyer as a program officer two and a half years ago because of the foundation's shift toward equity and its transparent search for diverse employees. Previously, she had hesitated to apply for jobs at the trust, worrying about being "one of the few people of color" on staff. But after hearing foundation leaders speak on several occasions, and noticing recent hires, she says, she decided, "This could be amazing if implemented correctly, and I think I could help with that."

Now, about half of the foundation's staff of 36 consists of individuals who identify as people of color, up from a quarter in 2013. So do five of its six trustees, the result of a conscious effort to recruit a diverse group.

Influencing the Field

Meyer also re-evaluated its grant-making. For nine months, staff analyzed the programs the foundation supported, assessing which aligned with its equity values. They hit the road on a listening tour to hear the concerns of people across the state. And the trust sent out a survey to nonprofits to get even more input about how to better spend its resources.

Ultimately, Meyer selected four grant-making areas that strike at the root of issues facing vulnerable Oregonians: community strength, the environment, housing, and education.

As Meyer developed its new portfolios, it wound down old funding streams in 2015. With nearly \$790 million in assets, the foundation is one of the largest grant makers in Oregon, and its leaders felt a responsibility to help previous grantees through the transition. It's still monitoring multiyear grants it made before the big shift.

There's debate in philanthropy about whether and how to support activists who demand dramatic shifts in public policy and government behavior. For Meyer, "policy and systems change" is "key to equity work," Ms. Solovjovs says; to that end, the foundation is looking to support community organizers and "working with emerging groups we have not worked with before."

Meyer traditionally used a responsive grant-making system, accepting proposals on a rolling-deadline basis and judging each separately on its own merits. It switched to a competitive funding-call approach, looking at all proposals at the same time and picking which most align with its equity values.

HOW OTHER FOUNDATIONS ARE EMBRACING EQUITY

Like the Meyer Memorial Trust, several grant makers have recently adopted an equity lens.

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Here are the steps some have taken:

LIVING CITIES (CONSORTIUM OF GRANT MAKERS)

- Hosted a full-day staff retreat on equity
- Hired a consultant to facilitate discussion and audit programs
- Created an internal team to oversee shift toward equity focus
- Invited outside speakers to share experiences with staff
- Updated mission statement to include language about race
- Will require participants to report on their own equity work

SAN FRANCISCO FOUNDATION

- Conducted listening tours in marginalized communities
- Collected data and analyzed areas of need
- Named new equity priorities centered on the themes of people, place, and power
- Switched to a competitive funding-call approach, looking at all proposals at same time and picking which most align with its equity values
- Continues to facilitate the grant-making priorities of individuals with donor-advised funds

WEINGART FOUNDATION

- Conducted listening tours to connect with communities it hopes to serve
- Published a detailed program plan outlining its equity agenda
- Hiring a person of color to fill an open program-officer position

And it now asks grant applicants to explain how their work promotes equity. What is the demographic makeup of their staff? How are the communities affected by their programs involved in designing those programs? How will the work benefit rural people and low-income people of color?

Although some nonprofits may find such questions off-putting, they're intended to create "an opportunity to have a dialogue, not just judge the group," Ms. Harrigan says. Meyer staff members try to educate applicants about why this information matters and offer tools and techniques for answering the questions.

"Part of our intention is to not just shift the Meyer funding, but to help influence the field both from a foundation and nonprofit perspective so we are all more focused on historical inequities," Mr. Stamm says.

There are signs it's working: The first funding call under the new structure attracted the largest number of grant requests Meyer has ever received.

White Support Required

Embracing equity requires buy-in from foundation leaders, 92 percent of whom are white, according to the 2015 Grantmakers Salary and Benefits Report from the Council on Foundations, which surveyed 951 institutions.

A self-described "white guy from a family with the means to make my dreams come true," Mr. Stamm might seem like an unlikely candidate to oversee such a transformation at the Meyer Memorial Trust. Indeed, he says the call to make equity the foundation's guiding principle required a personal "journey" of "constantly trying to learn, question, and balance" his own views and those of others from different backgrounds.

Ben Hecht, chief executive of Living Cities, a collaborative of foundations and corporate grant makers, was "somewhat incredulous" when staff members told him they felt their thoughts about race were being stifled at the office.

"We weren't sure what the institutional point of view about race was," says Nadia Owusu, assistant director of strategic communications and storytelling at Living Cities. "There had been times it appeared sharing those sorts of opinions were discouraged."

After some reflection, Mr. Hecht, who is white, decided it was unlikely he was right and everyone else was wrong. Living Cities has since embarked on its own sojourn toward equity, and Mr. Hecht thinks all foundation leaders — white ones included — have a role to play in helping to dismantle injustice.

"We have to find our voice and then we're going to yell about it until we solve it," he says. "The amount of work it takes is directly proportional to the importance of the work, and there's no shortcuts. Platitudes don't get you there."

Looking Through a New Lens

Other organizations sharpening their equity focus are engaged in similar work. The San Francisco and Weingart foundations conducted listening tours to connect with communities they hope to serve. The San Francisco Foundation has closed some of its grant channels, providing transition money to about 400 grantees. And like Meyer, it switched to the competitive funding-call approach, looking at all proposals at same time and picking which most aligned with its equity values.

At foundations that have adopted equity as their watchword, staff members say the culture change has been stark. The Meyer Memorial Trust is "a completely different organization" than it was just 30 months ago, Ms. Harrigan says. "We don't talk about our core work and our equity work, it's integrated. Having that consistency with staff — it has been a critical, key turning point."

At Living Cities, those conversations staff members once longed to have now happen almost daily, Mr. Hecht says, which has made it easier for the organization to recruit and retain a diverse team. Living Cities now intentionally focuses its programs on addressing racial disparities and even has a new project, Racial Equity Here, that asks cities across the country to examine their policies and practices through an equity framework.

"Two years ago, Living Cities would never have had an initiative called that," Ms. Owusu says.

Whether these changes improve life for those on society's margins remains to be seen. Philanthropy can be fickle. Already, there's cynicism in boardrooms and communities that equity is just the latest trend, and that institutions with "big ideas but short attention spans" will ultimately disappoint by not committing for the long haul, says Fred Ali, chief executive of the Weingart Foundation, which recently released a detailed program plan explaining how it will pursue an equity agenda over the next year.

Equity "can't be the philanthropic idea of the year," warns E. Bomani Johnson, chief executive officer of Emergent Pathways, a consulting firm that helps organizations work with communities of color.

But he's cautiously optimistic. He suspects foundation leaders change tactics so often because they know their efforts have been ineffective, in large part because most have not been peering through "a lens around racial and gender equity."

Until now. And now that their eyes have been opened, Mr. Hecht says, there's no turning back: "Once you put this lens on your work, you can't ever not put that lens on your work, because you realize how important it is."

Editor's note: This article has been updated to reflect that four Meyer Memorial Trust executives are people of color. The figure was initially reported as five based on comments from a trust official.

Send an email to Rebecca Koenig.

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