



The Link Between Board Diversity & Better Fundraising

Paying attention to diversity translates into more funds.

By *Jeb Banner*

Board diversity is one of those terms you hear a lot. We all know the obvious reasons why it's favorable: **A board of different backgrounds, ages, genders, and ethnicities is more representative** of the populations we serve.

Inclusive board membership balances opportunities for the board member candidates themselves.

But what if I told you that stronger board diversity strengthens a nonprofit's fundraising efforts too?

Donors Are Diverse

Different donors give differently, so your organization needs board members who understand them. There's a growing awareness that organizations need to consider donor diversity in their fundraising strategy. A Blackbaud survey shows:

- **African American and Asian American donors would give more** if they were asked more.
- **Asians and Hispanic Americans are more likely to give** if they're asked by someone in their family or circle of friends than if an organization asks them directly.

What we can draw from this is that greater board diversity can help nonprofits understand and reach more segments

“Consider donor diversity in your strategy.”

of the donor population. Clearly, we're leaving money on the table by not asking these demographics for more support and by not urging them to ask their friends and family for donations. A diverse board is a clear necessity for this kind of grassroots, natural fundraising.

This survey also shows that certain demographics value an appreciation gift such as a t-shirt or tote bag when they donate. If people from those demographics aren't represented on your board, how can you understand what motivates them to give? How will you be successful in attracting and retaining their support?

All Funders Respect Diversity

Funders of all kinds respect an emphasis on diversity, and they have an eye on your board of directors. For example:

Millennials are known for their dedication to organizations with a conscience. A Deloitte survey shows


that 80% of millennial workers engage with organizations that align with their values. Only 60% engage if the organization doesn't match their values.

What does that mean if you have a group of young professionals deciding if they'll grant funds to your nonprofit? They're absolutely looking at your board composition. They want to verify that your practices match what you say about how you value inclusion. As a participant in a recent Russell Reynolds Associates survey noted, "Increasingly, boards are in a fishbowl of scrutiny from investors, the media, non-governmental organizations, and so on."

When awarding grants, foundations are increasingly aware of board diversity. They want to be sure the board aligns with the population the nonprofit serves. The optics of a nonprofit that serves an urban homeless population having a board full of older, affluent white men will earn extra scrutiny.

Just as many grants require 100% board-director giving to demonstrate personal investment in the mission, there's an expectation that directors should represent the stakeholders in the mission, too. Your success in providing services is directly related to your board's understanding of the environment.

You Need a Careful Study of Demographics

Board diversity is an ever-changing concept. What passed as "diversity" on a board a few years ago is now considered the minimum. It's vital to study your board composition and align it with your service population demographics. You'll raise more funds when you authentically represent your community. 

Build a Better Board

You can boost your fundraising and diversify your board with resources at [NonprofitWorld.org](https://www.nonprofitworld.org). Begin with these:

Defining Your Board's Needs (Vol. 26, No. 1)

Look Beyond Tradition to Diversify Your Board (Vol. 22, No. 4)

How to Assess and Improve Your Board's Performance (Vol. 24, No. 1)

Three Simple Questions that Get Donors to Give (Vol. 35, No. 2)

Board Diversity: Your Biggest Challenge (Vol. 27, No. 3)

The Peer-to-Peer Fundraising Evolution (Vol. 30, No. 6)

The Seven Crucial Tenets of Board Engagement (Vol. 40, No. 1)

Build a Team, Not Just a Board (Vol. 31, No. 3)

Tools for Improving Your Board's Diversity (Vol. 25, No. 5)

Where Can You Find Good Board Members? (Vol. 17, No. 5)

Bring a List of Names to the Next Meeting (Vol. 24, No. 5)

Beyond Diversity (Vol. 18, No. 2)

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