RACIAL EQUITY IN KENTUCKY'S NONPROFIT SECTOR

EXECUTIVE SUMMARY

INTRODUCTION:

Nonprofit organizations engage with diverse community partners to create a more sustainable, equitable future. As the state association of charitable nonprofits, committed to our mission of empowering nonprofits to strengthen Kentucky, Kentucky Nonprofit Network (KNN) sees an important opportunity to lead efforts and partner with nonprofits to address the racial inequities within and inherent in our sector. Our goal with this work is to help organizations build on the core strengths of diversity, equity, and inclusion (DEI) - making space for greater client trust and engagement; larger employee, board and volunteer pools; better collaboration and decision-making; and stronger results. We believe that as valued and recognized leaders in communities across Kentucky, nonprofits can play an essential role in engaging Kentuckians in addressing social and racial inequity. To guide us, KNN convened the Nonprofit Racial Equity Task Force. With the expert counsel of our partners at the firm Decide Diversity, the Task Force was charged with a comprehensive survey to collect Kentucky-specific data on the current state of diversity, equity, and inclusion efforts in the nonprofit sector.

KEY FINDINGS:

Mirroring respondents to national studies, the majority of the 120 nonprofit leaders responding to this survey were white women. According to the National Council of Nonprofits' "Nonprofit Impact Matters" report, 72% of U.S. charitable nonprofits are led by women. Respondents represented 118 of Kentucky's 120 counties.

Key areas that emerged as immediate opportunities for KNN and the Nonprofit Sector Task Force to empower and partner with nonprofits across Kentucky to advance racial equity include:

Support and resources for smaller organizations: 51% of survey respondents have staff of fewer than ten employees. 54% have annual operating budgets of less than $1 million. These respondents mirror Kentucky's larger nonprofit sector as detailed in KNN's More Than Charity Report 2020. These respondents were the least likely to have racially diverse staff members or have a staffing strategy inclusive of diversity. A quarter of these smaller organizations also report they do not have a board member who identifies as a person of color.

Engaging organizations led by people of color: 11% of survey respondents reported being a nonprofit leader of color. Gaining the perspective and representation of these nonprofit leaders is essential to moving from discussion to action. The future work of the Task Force will explore strategies for increasing meaningful connections with nonprofit leaders of color from across the state.

Making the case for racial equity efforts: Some survey respondents reported being unconcerned with racial equity efforts, or do not believe they "need" diversity, equity, and inclusion strategies at their organization. 57% of respondents reported not having or not being sure if their organization has a racial equity strategy. A large number of respondents reported being "not sure" of any increase in the number of volunteers (21%) or program participants (23%) who were people of color – indicating a lack of vital data collection. This presents an important opportunity to help Kentucky's nonprofit leaders understand the potential that the sector has to enhance their own operations and future successes through diversity.

Nonprofits are seeking racial equity resources: Survey respondents indicated a pressing need for additional racial equity resources, particularly in the areas of board recruitment (59%), training (53%), and volunteer recruitment strategies (51%). A number of respondents also note that they are not sure how to access resources to diversify their suppliers or vendors.

NEXT STEPS:

These survey results confirm the need to support nonprofits at various stages of addressing racial equity in their organizations. Organizations with diversity strategies prioritize different equity issues within their strategies, and most - if not all - organizations still have room for growth in terms of overall diversity in staffing, board governance, volunteers, program participants, donors and funders, and suppliers. The number of respondents indicating that they are seeking additional resources and support is promising.

KNN is prepared to help nonprofits chart a path forward with the following next steps:

- Host a series of listening sessions focused on four of the key diversity gaps identified by the survey: staffing, board governance, programming, and volunteerism. These expanded listening sessions will broaden the conversation from nonprofit chief executives to include more voices - other staff, board members and volunteers. Our goal is to gain the perspective of all in the nonprofit community, especially:
    - Smaller nonprofit organizations,
    - Nonprofit leaders of color,
    - Organizations who are just beginning to develop their DEI strategies, and
    - Organizations who are seeking to understand the business case of DEI.

- Prioritize action steps for individual organizations and the collective nonprofit sector to advance this work, built on the feedback and information gleaned from the listening sessions. This is expected to include curating and creating recommended practice resources, tools, and training, as well as establishing collaborative partnerships. Ultimately, KNN strives to empower nonprofits to broaden access to opportunity, education, enrichment, employment, and services, and to actively champion equity across every aspect of the nonprofit sector.

- Collaborate with other partners to curate resources to help nonprofits diversify their suppliers and vendors.

The launch of the Nonprofit Racial Equity Task Force and this survey are first steps of an ongoing journey that KNN will take with our nonprofit colleagues and the communities and Kentuckians nonprofits serve. KNN embraces both the challenges and the successes uncovered in this report. We invite nonprofits across Kentucky to join us in listening, learning, taking action, and leading change.

KENTUCKY NONPROFIT NETWORK
Empowering Nonprofits. Strengthening Kentucky.

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To learn more and download the full report, visit www.kynonprofits.org/learn/racialequity