EQUITY
FOOTPRINT

A Framework to Advance Change

By Frontline Solutions / October 2019

Equity Footprint:

the impact of a philanthropic organization on communities, expressed as the extent to which the foundation engages in equitable practices via the domains of organizational culture, grantmaking, investments, leadership & governance, operations, communications, and evaluation & learning.

Frontline Solutions is introducing the Equity Footprint, a framework to help foundation leaders comprehensively analyze their institutions' impact (or footprint) in advancing equity. The fundamental principle behind the Equity Footprint is that it is not enough for organizations to simply avoid inequitable practices in a society premised on white supremacy and patriarchy; rather, our organizations must consciously dedicate themselves to centering equity in all facets of their work.

Philanthropy, especially, is a sector that was built to maintain and further entrench privilege, often while purporting to help those most hurt by inequity. Such harm should be addressed in two concurrent phases:
(1) minimizing an inequity footprint by ending practices that contribute to racial inequity and (2) reversing inequity by proactively maximizing an Equity Footprint.

The Equity Footprint framework is designed to mitigate decision paralysis and build motivation for change through a clear framework. It does so by representing all the roles and functions that philanthropic institutions fulfill, thereby enabling foundation staff to clearly see the concrete ways they can operationalize equity within their organizational domains.

Founding Principles

The Equity Footprint is built around the institutional values of diversity, equity, and inclusion. It is based on three primary principles: "business as usual" in philanthropy is inherently inequitable; every foundation has room to expand its Equity Footprint; and equity is good practice for philanthropy.

PRINCIPLE 1:
"Business as usual" in philanthropy is inherently inequitable.

The Equity Footprint framework derives from that of the carbon footprint—both begin with the understanding that harmful systems and practices have been established as the default. Operating within a "business as usual" framework is therefore not neutral, but rather contributes to harm. In the context of the carbon footprint, individuals and corporations contribute to environmental harm by engaging in everyday activities that produce greenhouse gas emissions: heating and cooling buildings, driving vehicles, and manufacturing and consuming products. Similarly, the Equity Footprint concept acknowledges that the field of philanthropy was designed to maintain and further entrench privilege, often at the direct expense of the very people that the sector claims to benefit. Yet, rather than simply minimizing a damaging footprint, an Equity Footprint invites the foundation to enact positive, equitable change. It is not enough to simply avoid inequitable practices in a society premised on white supremacy and patriarchy: rather, foundation leaders must consciously dedicate themselves to centering equity in all facets of their institutions' work.

PRINCIPLE 2:
Every foundation has room to expand its equity impact.

No philanthropic foundation has "perfected" equity. We do not expect any foundation to have maximized its impact in all seven of the institutional domains. The Equity Footprint is designed to help foundation leaders in all different stages of their institutions' equity journeys, ranging from the foundation that is just beginning to wrestle with the idea of equity to the institution that has been actively working to advance equity for years. The Equity Footprint framework invites foundation leaders to pursue continuous improvement and constant interrogation, asking how they may be able to further equity in each of the institutional domains. Just as all corporations and individuals have room to minimize a carbon footprint, we believe that every foundation should continually strive to expand its Equity Footprint.

PRINCIPLE 3:
Equity is good practice for philanthropy.

Foundations often mistakenly operate out of the belief that equity is promoted at the expense of efficiency, productivity, and quality. On the contrary, equity is good for institutions. A series of articles and research studies has revealed that companies with greater ethnic and gender diversity on their leadership teams demonstrate better performance than those with leadership teams that are less diverse.[1-3] If diverse, inclusive workplaces strengthen for-profit companies, how much more must diversity and inclusion practices improve the impact of justice-focused philanthropic foundations? While in the short term, advancing organizational equity is hard work and may create tension, expanding an Equity Footprint builds cohesive, mission-focused foundations and stronger, more equitable communities.

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[1] Hunt, V., Yee, L., Prince, S., and Dixon-Fyle, S. Delivering through Diversity. McKinsey & Company, 2018.

[2] Iyer, Lakshmi and Dashell Laryea. Financial Services and the Competitive Advantage of Racial Equity: How Advancing Racial Equity Can Create Business Value, 2019.

[3] Themudo, Nuno S. 2009. "Gender and the Nonprofit Sector." Nonprofit and Voluntary Sector Quarterly 38 (4): 663–83.
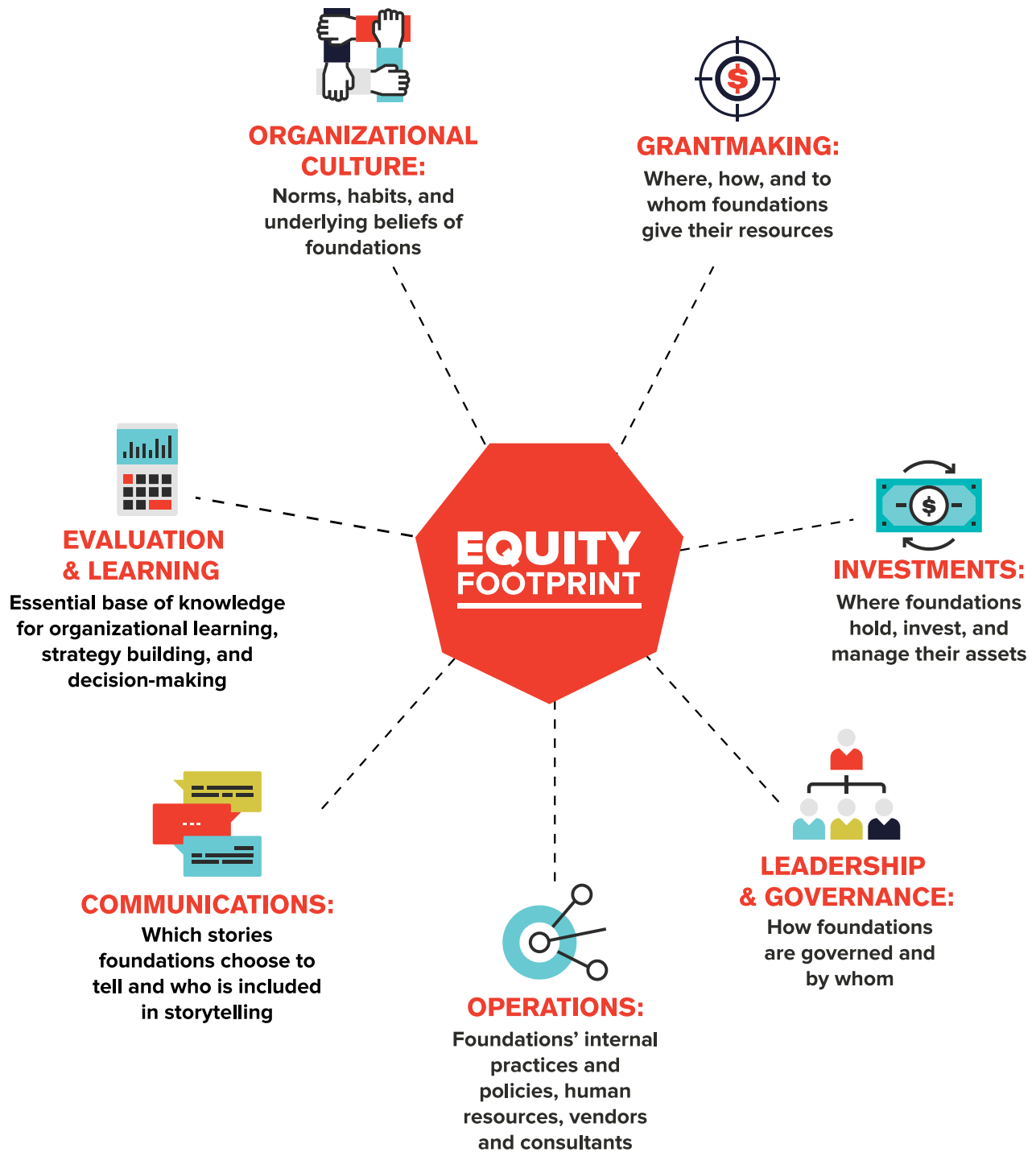
The Equity Footprint Framework

Devoid of action, principled belief in equity does little to create lasting change. Shifts in practices, policies, and culture are paramount to establishing equity. The Equity Footprint framework, therefore, breaks down all of the domains fulfilled by a foundation and delivers resources tailored to disrupt practices and policies that have traditionally served an inequitable status quo in each domain. Foundation leaders, staff, and consultants have the opportunity to diagnose problems within the organization and create an action plan using these resources.
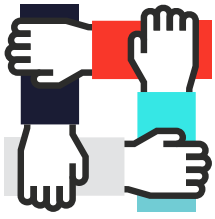
As their journeys progress, leaders may also use these domains to gauge whether their institution is beginning to meet its equity goals. In the domain of leadership and governance, for example, foundations will be encouraged to hire leadership that is predominantly representative of the community served in terms of race, ethnicity, religion, gender, sexuality, ability, etc. In the domain of operations, foundations will be encouraged to create clear, protective internal policies on discrimination and harassment.

Just as values without action are insufficient for change, the same can be said of action without values: a "checking the boxes" approach to equity can lead to anemic strategies that barely meet minimum equity standards and fall short of transformative change. The Equity Footprint framework therefore also encourages foundations to embody a culture that is interrogative, intentional, and anchored in diversity, equity, and inclusion. Guiding questions elicit collective dreaming and aspirations for equity, and foundation leaders are encouraged to create a practice of reflection. The framework gently urges leaders not to rest on the laurels of past progress, but continually push themselves to reimagine how their organization can actualize equity.

Seven equity domains are featured within the footprint to help philanthropic leaders evaluate the areas within their organization that are particularly in need of improvement. We do not realistically believe that any one organization is getting it right across every domain. A foundation could be leading the sector in operationalizing equity in its grantmaking while failing to do the same via its investments strategy. With this in mind, we have broken down each of the seven domains of the Equity Footprint in further detail. Foundation leadership teams can assess their own policies, practices, and culture within these seven domains, thereby measuring their Equity Footprint.

ORGANIZATIONAL CULTURE:
Norms, habits, and underlying beliefs of foundations

GRANTMAKING:
Where, how, and to whom foundations give their resources

EVALUATION & LEARNING
Essential base of knowledge for organizational learning, strategy building, and decision-making

EQUITY FOOTPRINT

INVESTMENTS:
Where foundations hold, invest, and manage their assets

COMMUNICATIONS:
Which stories foundations choose to tell and who is included in storytelling

OPERATIONS:
Foundations' internal practices and policies, human resources, vendors and consultants

LEADERSHIP & GOVERNANCE:
How foundations are governed and by whom

Organizational Culture

Norms, habits, and underlying beliefs of foundations

Although difficult to measure, internal culture is tremendously important in evaluating any organization's Equity Footprint. The norms, shared values, and beliefs within an organization direct its relationships, internal dynamics, and external work, thus spilling into all domains of a foundation's Equity Footprint. Equity in organizational culture is determined by whether employees of different identities and backgrounds feel that they are valued and that they contribute effectively to building a collective identity and culture.

Resources
- "Power Moves" by National Committee for Responsive Philanthropy
- "Awake to Woke to Work" by ProInspire
- "Equity Lessons for Organizational Leaders" by Marcus Littles
- "Survey: Assessing Our Staff's Racial Equity & Inclusion Competency" by Living Cities

1. **How is an equity-centered organizational culture regularly reinforced within the foundation?**

2. **How are all employees able to help build and contribute to organizational culture, rather than being expected to adapt to existing norms?**

3. **How does the foundation actively challenge toxic aspects of the broader culture of philanthropy?**

Grantmaking

**Where, how, and to whom foundations give their resources**

The publicly stated purpose of a foundation is generally reflected in the mission of its grantmaking program. As such, grantmaking dollars are the face of philanthropic organizations: grants form the crux of the relationship between foundations and nonprofits. Foundations reflect their values and priorities in how much they give and to what causes. Thus, grantmaking provides a clear picture of a foundation's commitment to advancing equity. Similarly, the channels through which foundations choose to give have great bearing on the accessibility of grants and, ultimately, their distribution. These channels include the structure of requests for proposal (RFPs), the ways in which grant opportunities are circulated or published, and the conditions attached to receiving funding. Additionally, choosing to offer a specific kind of grant, such as multi-year, rapid response, or general operating, can mitigate the power imbalance between philanthropy and nonprofits by demonstrating a foundation's trust in community leaders.

1. **How are issues of access and inclusion factored into the application and reporting processes?**

2. **How does the foundation demonstrate trust in grantees based on the type and timeline of grants offered?**

3. **What type (purpose, composition, size, etc.) of organizations and activities are sought out to receive funding?**

Resources

- "Power Moves" by National Committee for Responsive Philanthropy
- "Grantmaking with a Racial Justice Lens" by Philanthropic Initiative for Racial Equity
- Responsive Philanthropy in Black Communities: A Framework and Agenda for Change -- a grantmaking framework developed by Association of Black Foundation Executives
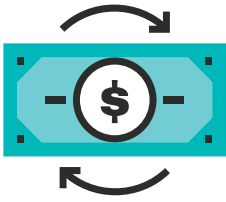
Investments

**Where foundations hold, invest, and manage their assets**

Foundations are required by state and federal tax codes to pay out 5% of their endowments in grants each year. The remaining 95% is traditionally invested in ways that protect the endowment and generate profit. A foundation's investment strategy can inadvertently directly contradict the equity-centered goals of its own grantmaking program. For example, a foundation committed to combating racial inequity in the criminal justice system may be simultaneously investing in private prisons to maximize its own assets. In this scenario, the foundation's Equity Footprint would be minimal at best, because its equitable grantmaking is effectively negated by its unethical investments. To increase its Equity Footprint, a foundation must recognize the potential for equity in investment decisions. An endowment presents a major opportunity to provide capital for causes that advance the foundation's equity goals.

1. **What are the communication channels between program officers and investment officers?**

2. **What proportion of the foundation's assets actively further the mission of the foundation?**

3. **How is the sector of philanthropy working to divest from institutions that harm communities?**

Resources
- McArthur Foundation's Impact Investments policy
- Racial Equity & Impact Investing-- a library of resources by Mission Investors Exchange
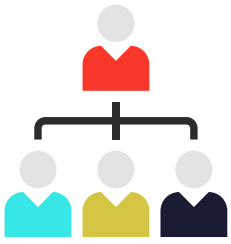
Leadership and Governance

How foundations are governed, and by whom

Foundation executives and trustees are the stewards of a foundation's power as grantmaker, employer, and investor. They therefore have significant influence on the foundation's operations, culture, and policies, as well as its allocation of resources. A foundation's structure of governance can either advance equity in the workplace or entrench privilege and exclusion by maintaining a barrier between its leadership and the rest of the staff. The demographics of the executive team and board indicate, both internally and externally, which employees are valued by the foundation and entrusted with guiding it toward its goals. Institutions often tout their "progress" with statistics showing percentages of their board and executive staff comprising women and people of color. However, to maximize an Equity Footprint in this domain, a foundation must go beyond accepting quantitative data at face value and seriously interrogate whether diversity, equity, and inclusion are central pillars to its governance or just boxes to be checked for the sake of optics.

Resources
- [The President's Forum on Racial Equity in Philanthropy](#)-- a convening organized by Keecha Harris & Associates
- ["The Role of Governance and Leadership Engagement in Diversity, Equity and Inclusion Change Efforts"](#) by Effenus Henderson

1. **What are the characteristics (i.e. gender, race/ethnicity, sexual orientation, religion, ability, socioeconomic status) of those who occupy high-level positions within the foundation?**

2. **How are community leaders and/or grantees involved in foundation decision-making?**

3. **How does the foundation challenge traditional structures of power, leadership, and governance in the field of philanthropy?**
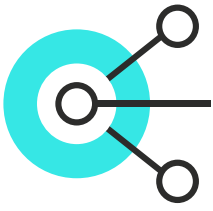
Operations

Foundations' internal practices and policies, human resources, vendors, and consultants

Foundations are employers, and as such, they have the responsibility to look internally when maximizing their Equity Footprint. A foundation's hiring practices, performance evaluation, and compensation all significantly impact the lives of its employees. Foundations may advance equity through just, inclusive policies for hiring, evaluation, compensation, and provision of benefits. Through interactions with vendors and consultants, foundations also influence a broader ecosystem of businesses and organizations. In choosing these vendors and consultants judiciously, a foundation may encourage equitable practices among other organizations and/or create new opportunities that stimulate the growth of local, minority-owned, and women-owned businesses.

1. **What are the foundation's internal policies on discrimination, harassment, paid leave, parental leave etc., and how are they actually practiced?**

2. **What are the characteristics (i.e. gender, race, ethnicity, sexual orientation, religion, ability, socioeconomic status) of the employees that are recruited, retained, and promoted?**

3. **What are the characteristics (i.e. gender, race, ethnicity, sexual orientation, religion, ability, socioeconomic status) of the foundation's vendors and consultants?**

Resources
- Minnesota Council on Foundations' Supplier Diversity Policy & Practice

Communications

Which stories foundations choose to tell, and who is included in storytelling

Foundations tell stories and employ communications strategies that influence public narratives on communities and causes. These narratives have lasting impact on policy and community access to resources. Storytelling and communications are not processes that are tangential or automatic. Rather, they form a central part of a foundation's strategy, undertaken deliberately with specific intentions or goals. To measure a communications Equity Footprint, a foundation must interrogate its narrative decisions: Why are certain narratives chosen? Are people empowered to tell their own stories? In addition to this self-examination, foundations must recognize their tremendous privilege as organizations with resources and public platforms. How a foundation chooses to utilize its platform, and whether it goes beyond building its own brand in order to elevate the voices of community stakeholders, can have tremendous impact on advancing equity within the field.

1. **How does the foundation use its platform to elevate issues of importance to grantees?**

2. **How are leaders of affected communities involved in storytelling about their own struggles and successes?**

3. **How accessible are the communication channels between foundations and potential or current grantees?**

Resources
- ["The Power of Perception"](#) by Trabian Shorters
- ["Messaging Beyond Jargon: Creating Equity in Social Change Communications"](#) by The Communications Network

Evaluation & Learning

Essential base of knowledge for organizational learning, strategy building, and decision-making

Evaluation refers to the systematic process of determining the merit or quality of a foundation's work. Too often in philanthropy, the burden of evaluation is pushed onto grantees--both to allocate resources towards evaluation and to be able to "prove" the impact of their own work. The funder, in turn, is quick to take credit for grantee success or to reallocate resources if funder-defined goals are not achieved. Within the domain of evaluation, equity considerations should be baked into the process of defining the issue or problem, framing success via goal-setting, and determining and executing a plan to measure progress towards those goals. To truly serve communities, foundations must look to grantees and community leaders when framing issues and defining success. Any burden of data collection placed on grantees should be done with a) grantee advisement and input and b) appropriate compensation or funding for grantees. Before evaluating the impact of grantees' work, a foundation should first prioritize evaluating its own partnership and support of grantees and community initiatives.

1. In what ways is the foundation's approach to learning and evaluation in service of its values?

2. How are leaders of impacted communities included in the foundation's learning and evaluation process?

3. In what ways does the foundation's learning inform its own strategy as well as strategy within the broader field of philanthropy?

Learning is a broad endeavor to support the capacity of people and organizations to reflect on and refine their work. Learning should happen in partnership with grantees and stakeholders to build transparency about a foundation's approach and progress. In addition, equity should be foremost on a foundation's learning agenda so that the individuals, teams, and departments that make up the foundation can continue to explore how to center equity in their work. Evaluation and learning are inextricably linked to strategy and decision-making. Evaluation produces the data and information that enable foundations to develop and fine-tune strategies. Learning offers a strategic engine of inquiry to enhance the capacity of an organization to understand and solve problems more thoughtfully and effectively.

Resources
- Library of resources from Equitable Evaluation Initiative
- "Raising the Bar--Integrating Cultural Competence and Equity: Equitable Evaluation" by Jara Dean-Coffey, Jill Casey, and Leon D. Caldwell

Advancing Equity in Philanthropy

In the words of writer and social critic James Baldwin, "nothing can be changed until it is faced." It is difficult for foundations to advance equity unless leaders feel safe and able to admit that inequitable practices, policies, and culture must be changed. The Equity Footprint is intended as an image to illustrate that all foundations start with the same baseline: they operate within a field that entrenches unjust power imbalances. The Equity Footprint both enables leaders to look honestly at the state of their institutions and provides tools and resources for leaders move forward.

Many progressive ideas that now seem obvious were once considered revolutionary, deviant, and terribly inconvenient. Weekends, lunch breaks, and paid time off are all standard expectations in many salaried jobs—but they were achieved because labor unions negotiated, fought, and refused to take no for an answer. At times, expanding an Equity Footprint may be controversial or even painful for an institution. However, the Equity Footprint framework is designed to help institutions radically change the way that they conduct business. We hope that, in the future, foundations will look across all institutional domains to advance change. By being more intentional, the field of philanthropy can mobilize more of its power and capital towards communities and achieve greater strategic impact.