UNIVERSITY of WISCONSIN
UWMILWAUKEE

Center for Urban Initiatives and Research

HBI Helen Bader Institute for NONPROFIT MANAGEMENT

Leadership Diversity in Milwaukee's Nonprofit Sector Benchmark Study 2008

July 28, 2008

Prepared by
John P. Kovari, G. Scott Davis, and Stephen Percy

Center for Urban Initiatives and Research
University of Wisconsin-Milwaukee

This Project is Sponsored by the
Helen Bader Institute for Nonprofit Management
University of Wisconsin-Milwaukee

Leadership Diversity in Milwaukee's Nonprofit Sector
Benchmark Study 2008

Introduction

In 2008, the Helen Bader Institute for Nonprofit Management at the University of Wisconsin-Milwaukee commissioned the Center for Urban Initiatives and Research to undertake a benchmark study of leadership diversity within nonprofit organizations in Milwaukee County. The study's goal was to provide a baseline measure of diversity at three leaderships levels within Milwaukee-area nonprofits: (1) top executive (typically with title of Executive Director but also that of President or CEO), (2) top-level managers who report to the executive (if such staff are present in the organization), and (3) boards of directors.

The mail questionnaire used for this study was designed in collaboration with the Diversity Committee of the Helen Bader Institute for Nonprofit Management (see Appendix A for a copy of the questionnaire). The survey consisted of sixteen items, using closed-ended and open-ended questions.

The mail survey was sent in mid-March to 1,403 executive directors of nonprofit organizations operating in Milwaukee County using addresses obtained from the Internal Revenue Service (IRS) Exempt Organizations Master Listing,[1] information gathered through the filing of 990 IRS forms by nonprofit organizations. Organizations with annual revenues of less than $25,000 are not required to complete the 990 form, meaning that this study does not include the smallest nonprofit organizations in Milwaukee County.

A pre-survey email was sent via various avenues to nonprofit organizations to increase interest and encourage responses. A reminder postcard was sent to the original mailing list approximately five days after the survey was mailed to further boost response rate. A total of 281 completed surveys were returned by the April 16, 2008 closing date. Using the corrected mailing list[2] of 1,344 addresses, the 282 returned surveys correspond to an effective response rate of 21%.

Where available, data from national studies of diversity within nonprofit organizations will be cited as a comparison to information gathered about nonprofits in Milwaukee County.

City and County Demographics

As background to this study of leadership diversity in nonprofit organizations, it is useful to consider the broader demographic context of the City of Milwaukee and Milwaukee County. According to 2006 estimates prepared by the U.S. Bureau of the Census, the race/ethnicity composition of the City of Milwaukee is as follows: White 40%, African American 39%, Hispanic/Latino 15%, Asian American 3%, Native American 1%, and Other 1%. Milwaukee County, composed of the City of Milwaukee and 18

---

[1] The information obtained for Milwaukee County nonprofits was updated through December 2007, and organizations were selected using the following criteria: (1) Most Recent Tax Period was 2004 or later; (2) Income $25,000 or greater; (3) Subsection Code was "Charitable Organization"; (4) Form Filing was 990 or 990EZ, but not 990PF; (5) classified as 501(c)(3) public charities. This list was further filtered to remove school groups, sports leagues, one-time events, and other groups that were not deemed appropriate.

[2] Names and addresses were removed if the surveys were returned undeliverable, or if individuals contacted the researcher and related that the survey could not be completed (i.e., person not available, lack of time, etc).

suburban municipalities has the following race/ethnicity characteristics: White 58%, African American 26%, Hispanic/Latino 11%, Asian American 3%, Native American 1%, and Other 1%.

Organization Characteristics

Survey respondents were asked a series of questions designed to elicit basic information on their nonprofit organization's mission, geographic focus of mission (e.g., local neighborhood, community, or region), size of annual budget (an indicator of organization size), and location within the county (i.e., zip address in either City of Milwaukee or remainder of Milwaukee County). Examination of information on the characteristics of organizations included in this study demonstrate substantial variation across nonprofit mission, budget size, geographic focus of mission, and location within Milwaukee County.

Mission

Respondents were asked to select the category that best describes their organization's mission from sixteen possible choices. The distribution of their responses is presented in Table 1. The most frequently identified missions were education (19%), human/social services (45%), arts, culture and humanities (12%), and health/medical related (10%).

Table 1. Organization Mission of Nonprofit Organizations

Mission	# of Organizations	% of Organizations
Education	50	19%
Human/Social Services	45	17%
Arts, Culture, and Humanities	31	12%
Health/Medical-Related	27	10%
Community/Economic Development	18	7%
Housing/Shelter	11	4%
Youth Development	10	4%
Recreation and Sports	9	3%
Civil Rights, Social Action and Advocacy	8	3%
Philanthropy, Volunteerism and Grant Making	8	3%
Religion-Related/Spiritual Development	6	2%
Mental Health	5	2%
Employment	4	1%
Environment/Animal-Related	4	1%
International/Foreign Affairs	1	0%
Other	31	12%

Geographic Focus

Respondents were asked to select the geographic focus of their organization. The organizations included in this study serve a wide variety of geographic areas, ranging from single neighborhoods in Milwaukee to international communities (see Table 2).

Table 2. Geographic Focus of Nonprofit Organizations

Response	# of Organizations	% of Organizations
A neighborhood in city of Milwaukee	18	7%
Multiple neighborhoods in city of Milwaukee	21	8%
City of Milwaukee as a whole	29	11%
Suburban community in Milwaukee County	14	5%
Milwaukee County	36	13%
Metro Milwaukee/SE Wisconsin	93	34%
State of Wisconsin	34	13%
United States	18	7%
International focus	9	3%

Budget Size

Respondents were asked to indicate the size of their organization's annual budget (see Table 3).[3] Annual budgets in Milwaukee County nonprofit organizations ranged from under $50,000 to over $5 million, demonstrating substantial variation in the size of nonprofit organizations included in this study.

Table 3. Organization Annual Budget Ranges

Response	# of Organizations	% of Organizations
Under $50,000	19	7%
$50,001-$100,000	33	12%
$100,001-$250,000	34	13%
$250,001-$500,000	39	14%
$500,001-$1,000,000	29	11%
$1,000,001-$2,000,000	41	15%
$2,000,001-$5,000,000	42	15%
Over $5,000,000	35	13%

Location

Eighty-eight percent of all organizations represented in this study are located within the city of Milwaukee; the remainder are located within suburban communities in Milwaukee County.

Exploring the Diversity of Nonprofit Executive Directors

Survey respondents were asked to describe several demographic and social characteristics of the top leader (e.g., Executive Director, President, CEO) of their organization.

---

[3] Nonprofit organizations with annual budgets under $25,000 are not required to submit Form 990s. Therefore, the number of organizations with annual budgets under $50,000 may be underrepresented.

Race/Ethnicity

Over three-quarters of nonprofits surveyed have white top executive leaders, and 11.7% are lead by African American executive directors (see Table 4). Four percent of top nonprofit executives are Hispanic/Latino, 1.1% are Native American, 1.1% are Other, and 0.4% are Asian American.

Table 4: Executive Director Ethnicity / Race

Ethnicity / Race	# of Executive Directors	% of Executive Directors
White	217	79.5%
African American	32	11.7%
Hispanic / Latino	11	4.0%
Mixed	6	2.2%
Native American	3	1.1%
Other	3	1.1%
Asian American	1	0.4%
Total	273	100%

Comparison to National Data

A review of two recent studies of the diversity of leadership in nonprofit organizations in the United States found that between 75 and 84% of nonprofit organizations are led by whites, about 10% by African Americans, 6% Asian and 4% Latino. These studies show national diversity leadership patterns in nonprofit organizations that are very consistent with those found in Milwaukee.

Source: Patrick Halpern (2006) "Workforce Issues in the Nonprofit Sector: Generational Leadership Chance and Diversity." American Humanics: Initiative for Nonprofit Sector Careers. See www.humanics.org.

Age

With regard to age, about 4% of top nonprofit executives in Milwaukee County are under the age of 36, 48% % are aged 36 to 55, and 48% are 56 or older (see Table 5).

Table 5: Executive Director Age

Age Range	# of Organizations	% of Organizations
Under 25 years old	1	0.4%
26 to 35 years old	11	4.0%
36 to 45 years old	50	18.3%
46 to 55 years old	81	29.7%
56 to 65 years old	106	38.8%
Over 65 years old	24	8.8%
Total	273	100%

Gender

Slightly more women are serving as nonprofit executive directors than men. Survey respondents indicated that 53% of executive directors are female and 47% are male.

Comparison to National Data

A national study of gender leadership in nonprofit organizations in the United States found that executive directors are predominantly women (approximately 60% of all top executives in nonprofit organizations). However, it was also found that women typically lead smaller nonprofits. While men lead 40% of all nonprofits, they lead 55% of those with budgets greater than $5 million.

Source: Margaret Gibelman (2000) "The Nonprofit Sector and Gender Discrimination: A Preliminary Investigation into the Glass Ceiling." *Nonprofit Management and Leadership* (Spring).

Disability & Sexual Orientation

Survey respondents were asked two additional questions, both of which were optional, regarding executive director disability and sexual orientation. Eight (3%) reported that their executive director experiences a disability. Fourteen (5%) indicated that their organization's executive director is gay, lesbian, bisexual, or transgendered.

Employment History

Respondents were asked two items related to the executive director's employment history: (1) the number of years worked in the organizations, and (2) the number of years in the top executive position. The majority of executive directors (62%) have worked with their organization for over six years. Also, the majority of executive directors (52%) have served in their current position for over six years.

Table 6. Years with Organization and in Top Executive Position

Years	Years Top Executive Has Worked in Organization		Years Served in Top Executive Position	
	# of Organizations	% of Organizations	# of Organizations	% of Organizations
Less than one year	18	7%	33	12%
1 – 2 years	21	8%	33	12%
3 – 5 years	64	24%	62	23%
6 – 10 years	67	25%	62	23%
11-15 years	33	12%	36	13%
16 or more years	67	25%	44	16%

Exploring the Diversity of Second-Level Nonprofit Leadership

Studies of leadership diversity in nonprofit organizations typically focus on the top staff leader, the executive director, while paying scant attention to the line of managers operating just below the chief executive. We know little, empirically, about these individuals who we term "second-level managers." Recognizing that these managers contribute substantially to the operation of nonprofit organizations, and

that these individuals may be top candidates for promotion to the topic executive spot when vacancies occur, this study chose to explore diversity in the managerial level of Milwaukee-area nonprofits.

Sixty-one percent, about two-thirds, of the Milwaukee County nonprofit organizations that participated in this study reported that they had one or more second-tier managers, defined as those individuals who report to the top executive *and* supervise at least one non-clerical employee. In this study, organizations could identify and report information for up to five (5) second-level managers.

Race/Ethnicity

Across all organizations in the study, 581 second-level manager profiles were identified and described by survey respondents. Two-thirds (68.8%) of these nonprofit managers are white, and 20.5% are African American (see Table 7 below). Nearly 6% were reported as Hispanic/Latino, 2% as Native American, 1.5% as other, and 1% as Asian American.

Table 7. Second-Level Nonprofit Leadership Ethnicity/Race

Ethnicity / Race	# of Managers	% of Managers
White	405	68.8%
African American	121	20.5%
Hispanic / Latino	35	5.9%
Native American	12	2.0%
Other	9	1.5%
Asian American	6	1.0%
Mixed	1	0.2%
Total	589	100%

Thirty-seven percent of all nonprofits had at least one manager of color, and 25% had two or more managers of color (see Figure 1). Of all organizations, 26% had one or more African American managers, and 8% had one or more Hispanic/Latino managers.

Figure 1. Second-Level Manager Diversity
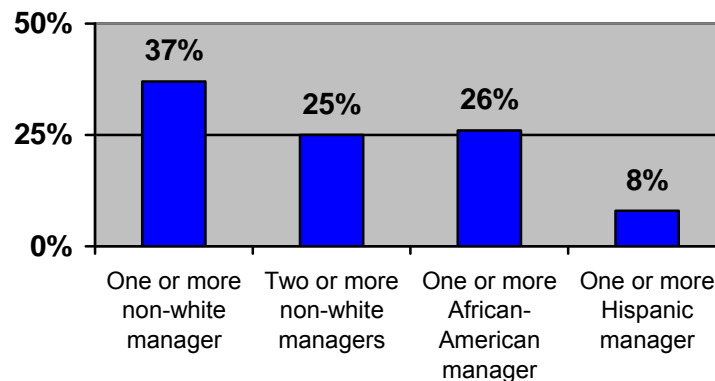
Gender & Age

Two-thirds of all second-level nonprofit managers are female and 34% are male. Two-thirds of all organizations had a majority of women managers.

Over one-third of all managers are 46 to 55 years old, the most common age range category (see Table 8). Compared with executive directors, managers tend to be younger. Only 24% of managers are 56 years old and over, compared with 47% for executive directors. Also, 54% of organizations have at least half of their second-level managers under 46 years old.

Table 8. Age of Second-Level Nonprofit Leadership

Age Range	# of Managers	% of Managers
Under 25 years old	6	1%
26 to 35 years old	95	16%
36 to 45 years old	164	28%
46 to 55 years old	198	34%
56 to 65 years old	108	18%
Over 65 years old	18	3%
Total	589	100%

Disability & Sexual Orientation

Twenty-one managers (4%) were reported as experiencing a disability, and seventeen (3%) were reported to be lesbian, gay, bisexual, or transgender.

Leadership Diversity as a Focus within Nonprofits

In addition to documenting the demographic characteristics of nonprofit top executives and second-level managers, the study also sought to explore the extent to which executive leadership diversity was of concern to the organizations--its current leaders and the Board of Directors.

Issues Discussed

Respondents were asked if the diversity of their organizational **leadership** (including top executives and second-tier managers but not Board Directors) has been an issue of discussion or focus in their organization in the past 2-3 years. If so, they were asked to briefly describe the leadership diversity issues that they had discussed. Twenty-nine percent of the organizations included in the study indicated that leadership diversity has been an issue of discussion or focus of the organization in the past 2-3 years.

Fifty-eight respondents gave written descriptions of leadership diversity issues within their organizations. The most frequently discussed issue was the need to encourage or recruit people of color for top leadership positions; seventeen respondents (29%) identified this issue. A variety of other diversity-related topics were also discussed as shown in Table 9.

Table 9. Leadership Diversity Issues

Response	# of Organizations	% of Organizations*
Need to encourage/recruit people of color for leadership positions	17	29%
General discussion of diversity	7	12%
Gender diversity	6	10%
Low leadership turnover	5	9%
Succession planning	4	7%
Need to prioritize diversity of organization	3	5%
Diversity planning/strategy	3	5%
African American diversity	3	5%
Broaden leadership base (e.g. in community)	3	5%
Diversity training	2	3%
Volunteer diversity	2	3%
Executive Director is non-white	2	3%
Hispanic diversity	2	3%
Other	15	25%

*Percentage totals do not equal 100% because more than one response was accepted per organization.

Recruitment Challenges

All respondents in nonprofit organizations were asked if their organization faced any challenges in recruiting a diverse organizational **leadership** (including top executives and second-tier managers but not including Board Directors). If they had, they were asked to briefly describe the challenges that their organization has encountered in recruiting a diverse organizational leadership.

Seventy-five respondents (27%) indicated that they faced challenges recruiting organizational leadership. Of these, 67 gave brief descriptions of the challenges they faced (see Table 10 below). The most frequently mentioned challenges were recruiting qualified candidates of color—candidates with requisite experience, certification, and/or academic degrees; limited diversity in applicant pools, and limited funding to engage in effective recruitment efforts.

Seven respondents (10%) expressed frustration with limited organization funds for candidates of color, who, they thought, were drawn to higher salary positions in the public or private sectors, or to larger nonprofits. Five respondents specifically described situations where leaders of color were recruited away from their organization by organizations/businesses with more prestige and/or resources.

Table 10. Challenges in Recruiting a Diverse Organizational Leadership

Challenge	# of Organizations	% of Organizations*
Finding qualified candidates (e.g. academic degrees, certification)	17	25%
Limited diversity in applicant pool	13	19%
Limited funding (recruitment, outreach, etc.)	7	10%
Difficulty recruiting candidates generally	6	9%
Board diversity	5	7%
Minority leaders recruited away, or are in such high demand	5	7%
Difficulty recruiting younger members/candidates	4	6%
Little turnover in leadership positions / small agency – limited availability of positions	4	6%
Difficulty at executive director level	3	4%
African American diversity	2	3%
Volunteer diversity	2	3%
Limited board involvement/engagement	2	3%
Attempted diversity hiring but unsuccessful	2	3%
Little diversity with existing staff	2	3%
Difficult to hire leaders of race other than population served	1	1%
Diversity not focused on	1	1%
Other	5	7%

*Percentage totals do not equal 100% because more than one response was accepted per organization.

Successes and Strategies

Respondents were asked if their organization experienced any successes in the past 2-3 years in recruiting a diverse organizational **leadership** (including top executives and second-tier managers but not Board Members). If they had successes, they were asked to briefly describe those successes and identify any strategies that they had used to recruit diverse organizational leadership.

Seventy-seven (31%) of responding nonprofit organizations indicated that they had experienced success in recruiting a diverse organizational leadership. Among successes, respondents described how they were successful, or partially successful, in hiring people of color for the executive director, senior staff/management, and staff positions. Diversifying by gender was also mentioned by a few respondents. Organizations offered successes in recruiting efforts, diversifying applicant pools, and/or hiring candidates of color.

A wide range of strategies was employed by organizations in recruiting diverse organization leaders. Table 11 lists the strategies described by two or more respondents. The most common strategies described by respondents include proactively recruiting diverse applicants and creating awareness within the organization that leadership must reflect clientele demographics.

Promoting staff of color from within the organization was another commonly described strategy for creating a diverse organizational leadership. One organization reported creating a leadership training program to help develop and eventually promote existing employees.

Also worth noting are three organizations that had generated a good track-record of diverse hiring. One respondent wrote, "Strong leaders attract other strong leaders."

Table 11: Strategies Used for Recruiting Diverse Organizational Leadership

Strategy	# of Organizations	% of Organizations*
Proactive recruiting	6	9%
Creating awareness that leadership must reflect clientele	6	9%
Promote from within organization	5	7%
"Focus" on diversity	4	6%
No strategy/focus on diversity	4	6%
Generated good diversity track-record	3	4%
Created specific position to promote/fulfill diversity	2	3%
Luck with diversity of qualified candidates applying	2	3%
Identify/recruit potential committee members of color	2	3%
National/extra-Milwaukee job search	2	3%
Unsuccessful attempts at diverse recruiting	2	3%
Recruit from local, community-based organizations	2	3%

*Percentage totals do not equal 100% because more than one response was accepted per organization and some responses are listed below.

There were also several strategies mentioned by only one respondent:

- Candidates of color requirement for all vacant positions
- Building and using interpersonal relationships
- Board involvement in recruiting
- Contacts with minority-owned businesses
- College [unspecified] provides staffing resources
- Offering higher salaries
- Recruit and develop younger candidates
- Offering referral bonuses
- Focus on friends of organization
- College internship program
- Word-of-mouth

Exploring the Diversity of Nonprofit Boards of Directors

The ultimate responsibility for governance of nonprofit organizations rests with the Board of Directors—a body which typically recruits and hires the top executive and then hold this individual responsible for hiring and managing other staff. An additional goal of this benchmark study was to explore the demographic diversity of board directors in Milwaukee County nonprofit organizations. The size of nonprofit boards ranged from 3 to 104 directors for organizations participating in this study, with an average of 14.3 board members per organization.

Race/Ethnicity

The nonprofit organizations that participated in this study reported, collectively, 3,799 board directors. The vast majority of these directors (77.8%) are white. 14.3% are African American, 4.3% are Hispanic/Latino, 1.1% are Asian American, and 0.9% are Native American.

Table 12. Race/Ethnicity of Nonprofit Board Directors

Ethnicity / Race	# of Board Directors	% of Board Directors
White	2955	77.8%
African American	545	14.3%
Hispanic / Latino	165	4.3%
Asian American	42	1.1%
Other	41	1.1%
Native American	35	0.9%
Mixed	16	0.4%
Total	3,799	100.0%

Of all nonprofits, 61% have boards which are composed at least 10% directors of color. Only 14% have boards in which at least a quarter of their board is composed of people of color. Eleven percent are led by boards with a majority of directors being people of color.

Gender, Age, Disability & Sexual Orientation

Mail survey questions asked about other board director demographics including gender, age, and two optional questions about disability and sexual orientation. Survey results indicate that 41% of nonprofit board directors are women and that the average number of women on nonprofit boards is 6.23 (see Table 13).

With regard to age, only 13% of nonprofit board directors are under the age of 40.

Survey respondents reported 33 board members experience a disability and 24 are lesbian, bisexual, gay or transgender.

Table 13. Gender, Age, Disability & Sexual Orientation of Nonprofit Board Directors

Demographic	# Reported	Percentage	Mean
Gender (Female)	1613	41%	6.23
Age (under 40 years old)	513	13%	2.88
Disability	99	3%	-
LGBT	50	1%	-

Board Diversity Issues

Respondents were asked if their organization's board of directors has discussed or taken action to expand **diversity on the board** in the past 2-3 years. If they have done so, they were asked to describe the leadership diversity issues focused on or discussed. Over half (59%) of all survey respondents indicated that they had discussed or made an effort to expand diversity on their board. One hundred thirty-six respondents gave written descriptions of the issue(s) they focused on or discussed.

The most frequently discussed board diversity issues focused on expanding diversity with regard to specific traits including race/ethnicity, gender and age (see Table 14). Other board discussions focused on broader issues such as the value of diversity, appreciation of board diversity already achieved, and the value of board directors better reflecting the characteristics of clients served by the organization.

Table 14: Board Diversity Issues

Response	# of Organizations	% of Organizations*
Board Member Characteristics	88	65%
Gender	*18*	*13%*
Race/ethnicity	*15*	*11%*
Diversity (general)	*13*	*10%*
African American	*9*	*7%*
Age	*8*	*6%*
Other (e.g. religion, geographic, perspective, class, orientation, consumer representation)	*6*	*4%*
Hispanic	*4*	*3%*
Asian American	*4*	*3%*
Occupation	*3*	*2%*
Cultural	*3*	*2%*
Business/corporate	*3*	*2%*
Native American	*2*	*2%*
Discussion of promoting diversity at board level	17	13%
Diversity is a success / board is already diverse	13	10%
Committee involvement in recruiting diverse board (e.g. nominating, board development)	13	10%
Board needs to reflect community/clientele	11	8%
Continuing/ongoing recruitment / board diversity is a priority	11	8%
Specific diversity goals set (e.g. 50% board non-white)	7	5%
Community outreach in recruitment	6	4%
Networking/referrals	6	4%
Unsuccessful recruiting attempts	5	4%
Strategic planning (diversity planning incorporated)	3	2%
Recruitment/referrals from minority professional associations	3	2%
One-on-one recruiting	3	2%
Grants/donors require board diversity	2	2%
Other	13	10%

*Percentage totals more than 100% because more than one response was accepted per organization.

A few "other" responses are also worth mentioning. One respondent mentioned that board diversity is required in the organization's bylaws. Another respondent claimed it is competitive to recruit qualified, candidates of color for the board, while at the same noting success in recruiting board directors of color through collaboration with "minority" professional associations.

Characteristics of the Workforces in Nonprofit Organizations

Survey respondents were asked to provide information about their overall workforce, including staff race/ethnicity, primary language spoken within the workplace and staff gender; and to report workforce issues related to diversity.

Race/Ethnicity

Respondents were asked to estimate the racial/ethnic percentages of their organization's paid workforce. Table 15 shows the mean percentages for each racial/ethnic category reported. Because mean and median percentages are used, the total column percentage will equal over 100%.

Reporting nonprofit organizations, on average, have a paid workforce that is over more than half white, 38% African American, 18% Native American, 12% Hispanic, 11% Asian American, 10% Other, and 9% Mixed.

Lower median percentages for a given racial/ethnic category indicates that a small number of organizations employ an extraordinary percentage of individuals from the given racial/ethnic category, skewing the mean percentage. In other words, from the difference between mean and median percentages for Native Americans, a small number of organizations employ high percentages of Native American staff, from 75-100%. Minimum and maximum percentages are also shown in Table 15.

Table 15. Workforce Ethnicity/Race

Ethnicity / Race	Mean Percentage	Median Percentage
White	53%	59%
African American	38%	30%
Native American	18%	5%
Hispanic / Latino	12%	7%
Asian American	11%	5%
Other	10%	3%
Mixed	9%	5%

Note: Because the reported figures are averages within groups, the total across groups does not total 100%.

Across nonprofits in Milwaukee County reported in this study, 44% have workforces that are composed of a majority of non-white staff.

Comparison to National Data

A review of two recent studies of the nonprofit organizations in the United States found that the nonprofit workforce is approximately 82% white, 10% African American, 5% Latino, 3% Other and 1% Asian or Pacific Islander. By these measures, Milwaukee's overall nonprofit workforce appears to be somewhat more diverse with regard to race/ethnicity than that for nonprofit organizations in the nation taken as a whole. Milwaukee most likely reflects patterns in major metropolitan areas where populations are more diverse than the nation as a whole.

Source: Patrick Halpern (2006) "Workforce Issues in the Nonprofit Sector: Generational Leadership Chance and Diversity." American Humanics: Initiative for Nonprofit Sector Careers. See www.humanics.org.

Primary Language

Regarding primary language spoken across all organizations, English is predominantly the primary language spoken by the paid workforce (see Table 16). Lower median scores, compared with mean scores, for Spanish, Hmong/Lao, and other languages indicate that a small number of groups have a significantly higher percentage of paid workforce that primarily speaks those languages.

Table 16. Workforce Primary Language Spoken

Language	Mean Percentage	Median Percentage
English	97%	100%
Hmong / Lao	15%	4%
Other	13%	4%
Spanish	9%	5%

Note: Because the reported figures are averages within groups, the total across groups does not total 100%.

Gender

Women tend to make up the majority of nonprofit staff. Across all nonprofits, on average, the paid workforce is 72% female and 35% male. (Mean percentages are used so that the total does not equal 100%.)

Workforce Diversity Issues

Respondents were asked if the diversity of their **overall workforce** has been an issue of discussion or focus of the organization in the past 2-3 years. If so, respondents were asked to briefly describe the diversity issues that they had discussed or focused upon. The results are split almost equally. Fifty-four percent of all survey respondents indicated that their overall workforce diversity was not an issue, and 46% indicated that it was.

One hundred twelve respondents provided written descriptions of the workforce diversity issues experienced within their organization, listed in Table 17. The most commonly discussed issues concerning workforce diversity discussed within local nonprofit organizations include recruiting and retaining diverse staff and management and the challenges of achieving diversity.

Table 17. Workforce Diversity Issues

Response	# of Organizations	% of Organizations*
Staff/management diversity (e.g. recruiting/retaining diverse staff)	38	34%
Diversity difficult to achieve	12	11%
Board diversity as it related to workforce diversity	11	10%
Diversity is a priority/focus	9	8%
Increase/promote diversity (general)	9	8%
Hispanic staff/board diversity	9	8%
Match clientele-staff demographics	9	8%
Gender (e.g. more male staff)	8	7%
Discussions about diversity held	8	7%
Difficulty recruiting diverse staff/board with necessary credentials	6	5%
Staff diversity difficult / attempted unsuccessfully	6	5%
Recruit bi-lingual and multi-lingual staff	5	5%
Diversity training / cultural sensitivity	5	5%
Recruit staff from community	4	4%
Diversity planning/assessment/strategies	3	3%
African American diversity	3	3%
Candidates hired for skills/ability, not for sake of diversity	3	3%
Civil Rights Compliance plan	2	2%
Volunteer diversity	2	2%
Staff diversity – disabilities	2	2%
Promote diversity in arts	2	2%
Affirmative action policy	1	1%
Diversity focus groups	1	1%
Student/youth diversity	1	1%
Limited diversity because of small staff size	1	1%
Other	4	4%

*Percentage totals more than 100% because more than one response was accepted per organization.

Clientele / Population Served Demographics

Respondents were asked to estimate demographic characteristics of the clientele served by their organizations.

Race/ Ethnicity

Regarding clientele ethnicity and race, Table 18 lists the average percentage scores for each category. Specifically, across all organizations, the average percentage of an organization's white clientele is 50%, and 40% is African American. Further analysis reveals that 65% of all organizations serve a "minority-majority" clientele, or a majority of clients of color. Seventeen percent of all respondents indicated that there was no way to determine clientele race/ethnicity.

Table 18. Clientele Ethnicity/Race

Ethnicity / Race	Mean Percentage
African American	40%
White	35%
Hispanic / Latino	13%
Other	11%
Mixed	8%
Asian American	5%
Native American	5%

Note: Because the reported figures are averages within groups, the total across groups does not total 100%.

Primary Language

On average, 92% of those served by responding nonprofits primarily speak English, 13% speak Spanish, 6% speak Hmong/Lao, and 10% primarily speak another language (see Table 19). Eighteen percent of all respondents indicated that there was no way to determine their clientele's primary language.

Table 19. Clientele Primary Language

Language	Mean Percentage
English	92%
Spanish	13%
Other	10%
Hmong / Lao	6%

Note: Because the reported figures are averages within groups, the total across groups does not total 100%.

Age

Survey participants were also asked to estimate the age ranges of their clientele by providing the percentage for each age category (see Table 20). On average, 59% of an organization's clients were under 18 years old, 60% were 19 to 65 years old, and 28% were over 65 years old. The significant difference between mean and median scores for the 65+ age category suggests that there are a few outlier organizations which serve a substantially higher percentage of seniors (ages 65 and over). Nineteen percent of all survey respondents indicated that there was no way to determine clientele ages.

Table 20. Clientele Age

Age Range	Mean Percentage	Median Percentage
Under 18 years old	59%	62%
19 to 65 years old	60%	65%
Over 65 years old	28%	10%

Note: Because the reported figures are averages within groups, the total across groups does not total 100%.

Gender

Regarding clientele gender, on average, an organization's clientele was 57% female and 46% male. Percentage totals do not equal 100% since mean percentages are used. Twenty-one percent of respondents had no way of determining clientele gender.

Digging Deeper: Exploring Correlates of Nonprofit Leadership Diversity

This section examines relationships—measured through correlations—between organizational characteristics and levels of nonprofit leadership diversity. The organizational characteristics examined include (1) size of annual budget (proxy measure for organizational size), (2) geographic focus of organizational mission, (3) location of organization within the county (i.e., city of Milwaukee, suburban areas of the county), and (4) demographic composition of clientele served by the organization.

Explaining Diversity by Race/Ethnicity

Race and ethnicity in nonprofit leadership can be viewed from multiple perspectives. In this subsection, we will look at nonprofit leadership in terms of representation of people of color at the executive director level, within second-tier management, and board composition. These variables will be cross-tabulated with the five organizational characteristics noted above, as well as board size.

In the tables below, each column depicts a measure of leadership diversity in nonprofit organizations as follows:

- **Top Executive**

  - Top executive is a person of color

- **Second-Tier Managers**

  - One or more managers are people of color
  - One or more managers are African American
  - One or more managers are Hispanic/Latino

- **Boards of Directors**

  - Boards with 10% or more directors of color
  - Boards with 25% or more directors of color

Across all on nonprofit organizations included in this study, 20% are led by people of color, 37% have at least one manager of color, 26% have one or more African American managers and 8% have one or more Hispanic/ Latino managers. With regard to boards of directors, 61% have boards of director composed of 10% or more people of color and 14% have 25% or more directors of color.

Budget Size

Table 21 explores the relationship between the size of an organization's annual budget and indicators of the racial/ethnic diversity of leadership in the organization. Results indicate that larger organizations— that is, those with larger annual budgets—are *more likely* than other organizations to have people of color serving in second-level managerial positions. In addition, larger organizations are more likely to have boards of directors that are composed of 10% or more people of color. There was no significant relationship between budget size and likelihood of the organization having a top executive of color.

Table 21. Race/Ethnicity Nonprofit Leadership Diversity and Budget Size

Size of Annual Budget	Executive Director – Person of Color	Management			Board	
		One or more Person of Color	One or more African-American	One or more Hispanic	Over 10% People of Color	Over 25% People of Color
Under $50,000	12%	16%	5%	0%	39%	6%
$50,001 -- $100,000	19%	21%	15%	0%	39%	12%
$100,001 -- $250,000	27%	21%	12%	0%	68%	24%
$250,001 -- $500,000	18%	10%	8%	0%	54%	13%
$500,001 -- $1,000,000	10%	45%	31%	17%	59%	3%
$1,000,001 -- $2,000,000	20%	49%	34%	12%	73%	15%
$2,000,001 -- $5,000,000	18%	57%	48%	12%	74%	12%
Over $5,000,000	26%	63%	37%	23%	63%	9%
Total	*19%*	*37%*	*25%*	*8%*	*61%*	*12%*
Kendall Tau-C	*0.026*	*0.397****	*0.294****	*0.168****	*0.201***	*-0.026*

* p < 0.05, ** p < 0.01, *** p < 0.001

Geographic Focus

The relationship between the race/ethnicity variation of nonprofit organization leadership and the geographic focus of organizational mission is explored in Table 22. Findings here indicate that as an organization's mission geography expands—that is, moves from a localized focus on one or a few neighborhoods to state, national and international attention—the *less likely* it is that the organization will have an executive director of color, people of color or African American managers, or boards of directors with much representation by people of color.

Table 22. Race/Ethnicity Leadership Diversity by Geographic Focus

Geographic Focus	Executive Director – Person of Color	Management			Board	
		One or Person of Color	One or more African-American	One or more Hispanic	Over 10% People of Color	Over 25% People of Color
A neighborhood in city of Milwaukee	33%	39%	28%	17%	72%	22%
Multiple neighborhoods in city of Milwaukee	33%	57%	43%	19%	91%	14%
City of Milwaukee as a whole	32%	52%	45%	10%	86%	31%
Suburban community in Milwaukee County	0%	14%	7%	0%	7%	0%
Milwaukee County	37%	47%	33%	8%	83%	28%
Metro Milwaukee/SE Wisconsin	13%	29%	16%	5%	48%	4%
State of Wisconsin	10%	44%	38%	12%	58%	9%
United States	17%	17%	17%	0%	44%	11%
International focus	11%	22%	0%	0%	33%	0%
Total	*20%*	*37%*	*26%*	*8%*	*60%*	*13%*
Kendall's Tau-C	*-0.176***	*-0.150**	*-0.129**	*-0.071*	*-0.269****	*-0.141***

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Location

The data presented in Table 23 indicates that nonprofit organizations located in the city of Milwaukee (as compared to those located within suburban communities in Milwaukee County) are *more likely* to have executive directors and second-tier managers of color as well as boards of directors with members who are people of color.

Table 23. Race/Ethnicity Leadership Diversity and Organizational Location

Location	Executive Director – Person of Color	Management			Board	
		One or more Person of Color	One or more African-American	One or more Hispanic	Over 10% Person of Color	Over 25% Person of Color
Non-Milwaukee Zip Code	3%	21%	6%	0%	18%	3%
Milwaukee Zip Code	23%	40%	29%	10%	67%	15%
Total	*21%*	*37%*	*26%*	*8%*	*61%*	*13%*
Kendall's Tau-B	*0.165****	*0.130**	*0.172****	*0.113****	*0,335****	*0.113***

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Clientele Demographics

The diversity of leadership in Milwaukee-area nonprofits can also be explored with regard to the racial/ethnic diversity of the clientele served by the organizations. As show in Table 24, the larger the percentage of an organization's clientele that are people of color, the *more likely* it is that the organization will be represented by a top executive who is a person of color, second-tier managers who include people of color, and boards of directors that include people of color.

Table 24. Race/Ethnicity Leadership Diversity and Clientele

Percentage of Clientele Who Are People of Color	Executive Director – Person of Color	Management			Board	
		One or more Person of Color	One or more African-American	One or more Hispanic	Over 10% People of Color	Over 25% People of Color
0 - 25%	6%	19%	10%	2%	27%	2%
26 - 50%	7%	28%	28%	6%	66%	3%
51 - 75%	12%	55%	36%	12%	76%	6%
76 - 100%	32%	43%	30%	11%	72%	23%
Total	*20%*	*37%*	*26%*	*8%*	*61%*	*14%*
Kendall's Tau-C	*0255****	*0.186****	*0.138***	*0.075**	*0.328****	*0.207****

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Explaining Diversity by Gender

The gender leadership of nonprofit organization executives, managers and boards of directors can also be explored in relationship to organizational characteristics. With regard to gender, the following leadership diversity indicators will be used:

- **Top Executive**
  - Top executive is a woman

- **Second-Tier Managers**
  - A majority of second-tier managers are women

- **Boards of Directors**
  - A majority of board directors are women

Across all nonprofit organizations that participated in the study, 53% have women as top executives, 66% have a majority of managers who are women, and 34% have boards of directors composed of a majority of women.

Geographic Focus and Location

Data analysis indicates that there is *no relationship* between the geographic focus of mission or organizational location in city or county and the gender diversity of executives, managers, or board directors.

Budget Size

The larger a nonprofit organization's annual budget, *the less likely* the top executive will be a woman (see Table 25). Further, the larger the annual budget, the less likely the board of directors will be composed of a majority of women. There is no relationship between budget size and the gender composition of second-tier managers.

Table 25. Gender Leadership Diversity and Budget Size

Budget Size	Executive Director Female	Management Female Majority	Board Directors Female Majority
Under $50,000	72%	50%	56%
$50,001 -- $100,000	56%	40%	43%
$100,001 -- $250,000	47%	42%	41%
$250,001 -- $500,000	69%	57%	37%
$500,001 -- $1,000,000	59%	71%	24%
$1,000,001 -- $2,000,000	56%	77%	32%
$2,000,001 -- $5,000,000	53%	71%	26%
Over $5,000,000	26%	63%	28%
Total	*54%*	*65%*	*34%*
Kendall's Tau-C	*-0.186***	*0.122*	*-0.165**

* $p < 0.05$, ** $p \leq 0.01$, *** $p < 0.001$

Clientele Demographics

Nonprofits whose clients are more heavily represented by women are somewhat *more likely* than other nonprofits to be headed by a female top executive. Such nonprofits are also somewhat *more likely* to have a board of directors of which women represent a majority.

Table 26. Gender Leadership Diversity and Clientele

Percentage of Female Clientele	Executive Director Female	Management Female Majority	Board Directors Female Majority
0 - 25%	44%	64%	27%
26 - 50%	45%	60%	25%
51 - 75%	55%	64%	31%
76 - 100%	70%	65%	67%
Total	*53%*	*63%*	*34%*
Kendall's Tau-C	*0.178**	*0.038*	*0.241***

* $p < 0.05$, ** $p \leq 0.01$, *** $p < 0.001$

Explaining Diversity by Age

Finally, this study explored the relationship between the age diversity of nonprofit organization leadership and organizational characteristics. Indicators of age diversity are as follows:

- **Top Executive**
  - Top executive is 46 years of age or younger

- **Second-Tier Managers**
  - Majority of managers are 46 years of age or younger

- **Boards of Directors**
  - 10% or more of board directors are under 40 years of age
  - 25% or more of board directors are under 40 years of age

Across all nonprofits in the study, 23 % had an executive director under 46 years of age, 7% had a majority of managers less than 46 years of age, 51% had a board with over 10% of board directors under the age of 40, and 23% had a board with over 25% of board directors under the age of 40.

Geographic Focus and Location

No significant relationships were found between an organization's geographic mission focus or location and age diversity of top executives, managers or board directors.

Annual Budget

Table 27 displays the relationship found between budget size and age diversity in nonprofit leadership. The larger a nonprofit organization's annual budget, the *less likely* it is that the executive director or the majority of managers will be under 46 years of age. Further, as an organization's budget grows, it is *less likely* that boards of directors will have representation by persons under 40 years of age.

Table 27. Age Leadership Diversity and Budget Size

Budget Size	Executive Director Under 46	Management Majority under 46	Board	
			Over 10% Under 40 Years Old	Over 25% Under 40 Years Old
Under $50,000	32%	50%	89%	78%
$50,001 -- $100,000	21%	50%	92%	46%
$100,001 -- $250,000	29%	50%	92%	54%
$250,001 -- $500,000	36%	75%	85%	33%
$500,001 -- $1,000,000	24%	79%	88%	20%
$1,000,001 -- $2,000,000	24%	54%	83%	40%
$2,000,001 -- $5,000,000	12%	39%	71%	25%
Over $5,000,000	11%	43%	53%	21%
Total	*23%*	*54%*	*82%*	*36%*
Kendall's Tau-C	*-0.138**	*-0.206**	*-0.233***	*-0.256***

* $p < 0.05$, ** $p \leq 0.01$, *** $p < 0.001$