

Racial Equity in Philanthropy Technical Report

The MacArthur Foundation: Chicago Commitment

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Evaluation & Learning Team

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Executive Summary

Overview

The Chicago region is home to one of the most diverse economies in the nation, including more than 4 million employees and an annual gross regional product of \$698 billion.¹ Despite this tremendous investment in resources and opportunities, the city has long been defined by a host of social, economic, and health disparities that level disproportionate impacts on people of color and other marginalized groups.

The John D. and Catherine T. MacArthur Foundation's (MacArthur Foundation's) Chicago Commitment invests in people, places, and partnerships to advance racial equity and build a more inclusive Chicago. In service to these goals, the Chicago Commitment aims to create conditions that enable all Chicagoans, and particularly people from historically marginalized communities, to obtain, use, and benefit from civic, cultural, and economic opportunities. By fostering conditions for greater inclusion, the Chicago Commitment envisions that people from historically marginalized communities will feel a stronger sense of voice, belonging, and influence.

In support of Chicago Commitment's learning objectives, this report draws upon data from a sample of peer philanthropies with an aligned focus on and commitment to advancing racial equity. The broad goal of the inquiry is to surface strategies, conceptualizations, approaches, and activities conducted by peer organizations that may inform Chicago Commitment's ongoing work.

Key Findings and Report Structure

The report identifies four key findings. One major finding is that racial equity work is being defined and pursued differentially across the sector (as analyzed here). We explore these differences by first describing how racial equity is conceptualized within organizations. We then consider a range of factors that can contribute to (or otherwise shape) the advancement of the racial equity goal, including the broader social and economic contexts, time spent on the racial equity journey itself, and organizational history.

A second finding is that in addition to creating new policies and practices to support the advancement of racial equity, philanthropic organizations are also revising and reshaping their existing policies and practices in service to this goal. Some activities are standard practices to philanthropic organizations, and as such, they predate the launch of racial equity agendas. These pre-established, internal activities include things such as grant making, budgets, and spending. However, we consider how institutions are reshaping traditional activities in ways that lend support to the achievement of racial equity goals. Other activities focus similarly on the internal functioning of organizations but reflect new practices and policies that support the advancement of racial equity, such as staff diversification and changes at the executive or senior leadership levels.

¹ World Business Chicago. (2021). *Strong, diversified economy*. <http://www.worldbusinesschicago.com/economy/>

We also consider how external practices, such as communication to the public, may support progress toward racial equity goals.

A third finding identifies key levers the philanthropic sector can use to advance racial equity. This finding is informed by the complexities of persistent racial inequalities and how they are lived out across institutions and reflected in policies and practices. Employing levers of change is understood to be necessary to eradicate existing structural barriers that can minimize or otherwise stymie progress toward racial equity goals in philanthropic organizations. The levers relevant to advance racial equity work include gaining board commitment and buy-in, leveling power between philanthropic institutions and grantees, and engaging in networks and collaborations.

The final finding considers the importance of committing to racial equity work as a strategic imperative across philanthropic institutions. The section outlines how philanthropies can use racial equity mandates as an opportunity to shift from what is understood as trend-based philanthropy, which is often time-limited, to making commitments to complex societal challenges that are sustained over time. Within this context, we use data from the inquiry to explore how racial equity must be more than a passing trend to exact substantive social and economic change.

The concluding section of the report considers how these findings can contribute to discussions centered on what the Chicago Commitment Team can influence through its strategy at the foundation level and across the field.



1: Introduction

Chicago Commitment Overview and Context

The John D. and Catherine T. MacArthur Foundation's Chicago Commitment invests in people, places, and partnerships to advance racial equity and build a more inclusive Chicago (see Appendix A: Theory of Change). In service to these goals, the Chicago Commitment aims to create conditions that enable all Chicagoans, and particularly people from historically marginalized communities, to obtain, use, and benefit from civic, cultural, and economic opportunities. By fostering conditions for greater inclusion, the Chicago Commitment envisions that people from historically marginalized communities will feel a stronger sense of voice, belonging, and influence.

As part of the Chicago Commitment's strategic focus on advancing racial equity in the Chicago region, the following strategic questions were posed in the theory of change and inform the team's ongoing learning and improvement:

- How is the national and local philanthropic community addressing equity-centric goals and programs?
- How do these factors affect racial equity in the Chicago region?

In addition to these strategic questions, the team seeks to address two key assumptions that underlie the Chicago Commitment strategy, namely:

1. The MacArthur Foundation is influential with philanthropic peers and civic leaders in the Chicago metropolitan area and its demonstrated commitment to equity can motivate others to pursue similar goals.
2. In the broader philanthropic field, the issue of equity is currently at the forefront, with a strong focus on racial equity. This strong focus on racial equity may not continue, however, which will make it critically important for the Chicago Commitment to retain its focus on racial equity, regardless of whether other funders or institutions shift priorities.

This context drove the inquiry for this technical report.

Connection to the Just Imperative

The MacArthur Foundation's Just Imperative is "grounded in the values of inclusion, diversity, and equity, and it embraces the full range of human characteristics, including race, ethnicity, sexual orientation, gender identify, status, experience, ability and disability, age, religion, geography or national origin, ideology, class, perspective, and more."²

² MacArthur Foundation. (2021). *The just imperative: Values*. <https://www.macfound.org/about/how-we-work/just-imperative>

In pursuit of inclusion and equity, the Chicago Commitment team acknowledges their responsibility to tackle the effects of historic and present-day racism and has centered its strategic focus on advancing racial equity in the Chicago region.

In service of the Just Imperative and the Chicago Commitment strategic goal, EDC presents this report to the Chicago Commitment team to share information about what peer philanthropic organizations are doing or plan to do to address historic and present-day effects of racism and continuing racial inequalities. Findings in this report can help the Chicago Commitment team locate their strategy within a broader landscape of racial equity efforts. EDC seeks to use this, and future technical reports to inform conversations with the team that can strengthen the alignment of their activities in service to the overarching strategic goal.

How the Chicago Commitment Team Can Use this Report

In this report, we seek to provide information that can help the Chicago Commitment team better understand the following:

- How racial equity work is being defined and approached within a cross section of philanthropic organizations
- The kinds of activities and strategic imperatives that are connected to racial equity work in philanthropic organizations
- Ways in which philanthropic organizations can sustain progress toward the achievement of racial equity goals
- Possible roles the Chicago Commitment can play in advancing racial equity goals in the Chicago region



2: Methods

Methods Overview

This report includes information EDC gathered from 14 semi-structured interviews with a cross section of leaders of local, regional, and national philanthropic organizations, as well as a qualitative review of a larger purposeful sample of websites and social media feeds from 35 peer philanthropic organizations and collaboratives. EDC used a two-step process, described below, to gather the data that were analyzed and interpreted and, ultimately, that formed the findings of this report (see Appendix B for additional description of the methods).

Data Collection Approach

Step 1: Review of Organization Websites and Social Media Feeds

EDC conducted a review of equity-related information on philanthropic institutions' websites and social media feeds.³ We reviewed the following information on each foundation's website for equity-related language and content: foundation history; mission, vision, and value statements; program descriptions; types of grantmaking; populations or communities served; and news and blogs related to equity in 2020. In addition, observations were noted on equity and racial equity definitions, equity goal(s), and common equity-related terms and language use. The review was conducted between October 2020 and January 2021.

Step 2: Interviews

Following the website and social media review, the Chicago Commitment team, with the support of EDC and the Office of Evaluation, narrowed the list of 35 philanthropic institutions to 16 organizations from which they wanted to learn more specifically about their work related to racial equity. To collect interview data, program officers contacted representatives from each of the identified organizations and requested 30-minute interviews related to their organization and their racial equity work. EDC staff conducted interviews in April and May 2021 (see Appendix C for the interview protocol used).

³ The use of information via foundations' websites offered an inherently limited perspective. Information on websites may not have been up to date, may have been of varying quality, and may have been incomplete. Despite these limitations, a compilation of the publicly communicated information was a helpful first step to providing a general overview of how the philanthropic sector considers and addresses equity and racial equity.



3: Key Findings

Key Findings Overview

How is the national and local philanthropic community addressing equity-centric goals and programs? How do these factors affect racial equity in the Chicago region?

These questions were not just generated in the Chicago Commitment's strategy development process; they are key questions that, when answered, may shape strategy-level decisions and how the Chicago Commitment team may choose to invest in capacities, practices, and policies to advance racial equity in a philanthropic landscape rich with possible partners and allies in this work.

The findings⁴ we present here are organized around four main themes:

1. Advancing racial equity is a journey.
2. A range of activities support racial equity work within philanthropic organizations, including creating new policies and practices and revisiting existing ones.
3. Philanthropy can activate key levers to advance racial equity.
4. Racial equity must be more than a passing trend.

Each theme and its related findings are described in the following sections.

Finding 1: Advancing racial equity is a journey.

From our interviews, we learned that many philanthropic organizations have identified racial equity as a strategic goal, especially in Chicago. At the same time, organizations are taking different approaches to moving the needle on racial equity, and they are adopting different timelines for advancing the goal. We found that factors such as history of the organization, advocacy from board or senior leadership, and the changing demographics of the city or region all play important roles in how racial equity work is being carried out. These factors are further explained in the sections below. However, we begin this section by first considering the differential ways in which racial equity is conceptualized across the sample.

⁴ For the purposes of reporting findings, when interviewees referred to individuals from historically marginalized communities, they used the term *BIPOC* (Black, Indigenous, and People of Color). Throughout the findings, we have opted to use that term to best represent interviewees' voice, however EDC recognizes the limitations related to using *BIPOC* as a general identifying term: it is less specific; it may potentially erase important differences between groups of people; and it is not often a term that represents an individual's or community's preferred self-identification. For the purposes of this report, we use *BIPOC* only when interviewees used the term; otherwise, we use the terminology *people from historically marginalized communities* in the report.

Racial Equity Definitions

In this section, we draw upon publicly available data (e.g., websites and social media feeds) to learn how racial equity work is being defined across institutions. Each philanthropy's equity work was uniquely communicated on their website. However, not all philanthropies included specific definitions of *racial equity*.

If foundations included definitions of *equity*, *racial equity*, or related terms (e.g., *social justice*), each definition was tailored. We learned that only a few websites had specific external-facing definitions of *racial equity*. Following are examples of definitions of *racial equity*:

- **W. K. Kellogg Foundation (National).** “Racial equity affirms that all people, regardless of their racial/ethnic group identification, skin color or physical traits, deserve an equal opportunity to experience well-being in a just society. Achieving racial equity means that a person’s identity would not determine how he or she was treated or predict life outcomes. Racial equity requires both systems transformation and racial healing.”⁵
- **Woods Fund (Local).** “Racial equity is a multi-issue framework defined as an outcome and a process. As an outcome, racial equity is situational fairness, where and when race no longer determines one’s socioeconomic outcomes. As a process, racial equity is applied when people most impacted by structural racism are meaningfully involved in the creation and implementation of the institutional policies and practices that dismantle structural and systemic racism.”⁶
- **Grantmakers in the Arts (National Collaborative).** “Racial equity is the condition that would be achieved if one’s racial identity no longer predicted, in a statistical sense, how one fares. Racial equity is one part of racial justice. Therefore, we also include work that addresses root causes of inequities and not just their manifestation. This includes elimination of policies, practices, attitudes, and cultural messages that reinforce differential outcomes by race or fail to eliminate them.”⁷

Advancing Racial Equity Is an Ongoing Journey with Many Pathways

While philanthropies’ racial equity work has become more visible, the philanthropic representatives we interviewed suggested that the racial justice civic actions of 2020 and racial inequities related to the COVID-19 pandemic were not significant motivators for philanthropies to embark on advancing racial equity. Rather these moments were recognized as confirmation of the importance of prioritizing racial equity as an already important goal that preceded the nation’s collective racial reckoning and calls for greater social and economic justice in 2020.

⁵ W. K. Kellogg Foundation. (n.d.). *Our DNA*. <https://www.wkkf.org/what-we-do/our-dna>

⁶ Woods Fund Chicago. (n.d.). *What we do*. <https://www.woodsfund.org/what-we-do>

⁷ Grantmakers in the Arts. (2019, April 11). Statement of purpose and recommendations for action. <https://www.giarts.org/racial-equity-arts-funding-statement-purpose>

Factors that informed strategic imperatives included the following:

- The hiring of a new foundation president who prioritized racial equity and led strategic changes across the organization.
- The increasing percentage of BIPOC⁸ residents living in the communities that foundations serve.

Across the representatives we interviewed, they described different paths on their racial equity journey. Interviewees recognized that racial equity work is an ongoing process, and they suggested that many foundations are early in the learning process. Philanthropies seen as “further along” on the journey included organizations whose missions centered on racial equity (e.g., Crossroads Fund and Woods Fund). Philanthropic institutions that described themselves as not founded on or historically rooted in racial equity work reported embarking on their racial equity journeys between 2015 and 2017. Inaugural efforts included the following:

- Launching staff-coordinated racial equity committees
- Formally or informally reviewing internal processes, policies, and procedures
- Offering staff training on topics related to racial equity
- Engaging boards to adopt a racial equity focus

Finding 2: A range of activities support racial equity work within philanthropic organizations, including developing new policies and practices and revisiting existing ones.

In our interviews, philanthropic leaders described a wide range of activities that were occurring (or anticipated) across organizations in service of advancing racial equity. Interviewees referred to these activities as either *internal* to organizations or *external* and public facing. Notably, however, what was internal or external was described differently across the interviewees.

More importantly, regardless of whether organizations communicated their racial equity activities on their websites, representatives of philanthropies reported specific actions they were taking to address racial equity within their organizations and their work.

Leaders of philanthropic organizations shared a variety of actions and practices that informed their racial equity work and overall journey. Activities fell into the following categories:

- **Grantmaking activities.** Interviewees indicated that committing to advancing racial equity was associated with changing their grantmaking approach. They listed practices such as prioritizing funding to BIPOC-led organizations, prioritizing general operating grants and non-restricted funds when feasible, revising grantee applications to have more of an equity focus (e.g., asking organizations how they prioritize equity), and requesting grantee board and organization demographics to assess demographic representation. Interviewees also

⁸ Black, Indigenous, and People of Color.

highlighted how revising the demographic data they collect from grantees (i.e., requesting the BIPOC makeup of organization leadership and staff) could help other organizations measure the success of their funded initiatives. Generally, interviewees discussed a similar set of racial equity grantmaking practices as described above, indicating an alignment of practices across foundations. Few went further in indicating racial equity related benchmarks for their grant making (e.g., committing a specified percent of dollars to BIPOC organizations).

- **Staff diversification.** Interviewees suggested that diversifying their teams was a central component to both showing their commitment to racial equity and to bringing in more diverse thought and experiences. Interviewees described efforts to diversify as seeking to address equity issues inside the organization. Interviewees suggested that this practice was especially important, as opportunities to hire new BIPOC staff are infrequent due to the longer tenure of philanthropic staff such as program officers. Having greater organizational diversity is also seen as bringing more awareness of and opportunities to support BIPOC communities.
- **Internal policies and practices.** Building on descriptions of diversifying staff, interviewees called out previous policies that were not supportive of staff, especially women of color. Interviewees indicated that not giving greater attention to staffing policies and practices has led to an increase of BIPOC individuals exiting specific organizations. Specifically, interviewees discussed how they supported internal staffing policy and practice changes to support racial equity, for example:
 - Increasing paid time off
 - Revising promotion qualifications
 - Updating various hiring, recruitment, and retention strategies that prioritized and centered on BIPOC individuals
- **Budgets and spending.** Interviewees described organizational shifts to using BIPOC-led organizations, consultants, and vendors that support overhead-related and non-programmatic spending. Interviewees specifically highlighted how shifting to contracting with BIPOC-led investment management firms supported their racial equity efforts. Interviewees also shared how they were seeking to build their donor base (where applicable) to include more BIPOC individuals or organizations.
- **Changes at the executive or senior leadership level.** Interviewees indicated that it is critical that leadership play a central role in advancing racial equity, and they identified diversifying senior leadership and board membership as one imperative. Other changes described by interviewees included creating formalized internal racial equity assessment teams with leadership involvement and developing senior-level positions specific to equity work. Interviewees indicated that although philanthropies have made progress at other levels of the organization (e.g., hiring more BIPOC program officers or support staff), substantive change could only happen if there was also diversification among senior leadership and the board. It is important to note, however, that some interviewees

questioned whether diversification of leadership alone would be enough to sustain a racial equity focus beyond a specific leader's tenure at the institution.

- **Organization-wide change.** Interviewees reported practices that reflected organizational changes that had wide-reaching influence, such as organization-wide shifts toward working deeply and alongside the communities they aim to serve, which were most often BIPOC communities. Examples of organization-wide changes included the following:
 - Changing mission, vision, and values to explicitly address racial equity
 - Developing or adopting formal accountability frameworks to ensure full staff and board buy-in of racial equity work
 - Establishing staff committees to set racial equity goals for the organization
 - Hiring external consultants to offer racial equity-related trainings for all staff
 - Creating transparency and accountability systems
 - Revising external-facing racial equity language
- **Communicating their commitment to the public.** In addition to actively engaging in examining internal priorities, policies, and procedures, interviewees identified external communications efforts as important to racial equity efforts. Along with external statements on current events, philanthropies' communications activities included highlighting board diversification; announcing the hiring of BIPOC staff; and updating their missions, visions, and values so that these actions would be clear to the field, grantees, and the public.

Finding 3: Philanthropy can activate key levers to advance racial equity.

Across all interviews, three main levers for change emerged as essential to philanthropies achieving their racial equity goals: (1) garnering board commitment and buy-in for racial equity work; (2) supporting relationship-building in philanthropy as an approach to level power between philanthropies and grantees; and (3) engaging in philanthropic networks, collaborations, and learning communities.

1. **Board commitment and buy-in.** Interviewees regarded foundation boards as among the most important and influential levers for advancing racial equity. They emphasized the importance of diversifying boards to include more BIPOC members as well as the importance of having the board's buy-in as it relates to moving racial equity goals forward—a process interviewees regarded as iterative.

In one example, interviewees shared that achieving full alignment between the board and staff was critical for advancing their racial equity goals. Generally, interviewees felt that boards were central change agents, either because of their capacity to advance racial equity work or their ability to push back against strategies that do not prioritize progress toward racial equity. Interviewees shared experiences on both ends of this spectrum—from explicit support for racial equity work to shifting resources away from racial equity work—to evidence the importance of boards.

- 2. Leveling the power between philanthropic institutions and grantees.** Interviewees commented on the traditionally “transactional” nature of philanthropy as a barrier to advancing racial equity. They regarded relationship-building with grantees and donors as an important practice shift and lever for change in how philanthropies build their donor bases and interact with current or potential grantees. Some interviewees recognized that the philanthropy reputation has sometimes been seen as “fake” in communities they aim to serve (i.e., BIPOC communities), and they strongly felt that building authentic relationships with communities was critical to racial equity work.

For example, some interviewees felt that activities such as attending grantee events and being present in communities were important. Interviewees also mentioned the importance of collaborating and being in conversation with their grantees regarding solutions to systemic issues. Examples included the following:

- Engaging with entities beyond their historic grantee pool
- Working with and funding grassroots groups
- Participating in movement-building work that addresses racism
- Building trust where power imbalances exist
- Working with smaller-budgeted and less formalized organizations

- 3. Engaging in networks and collaborations.** Interviewees acknowledged how working with and through networks, in collaboration with like-minded institutions or in support of shared goals, may strengthen efforts to advance racial equity. Specifically, interviewees suggested that external networks that commit to racial equity and support BIPOC staff can do more than any one foundation can on its own. These networks, such as Chicago African Americans in Philanthropy, which was mentioned by several interviewees, have the potential to facilitate shared knowledge and elevate cross-collaboration and support for effective collective strategy planning. Notably, several interviewees highlighted the role that Black women and their networks in the field were playing in advancing racial equity work and how they were serving as a model for others. Examples of this included the networking and support group in Chicago for women of color leaders in philanthropy and the Chicago Foundation for Women’s South Side Giving Circle, composed of philanthropic and community partners that pool money to support Black women on the south side.

Finding 4: Racial equity must be more than a passing trend.

Although interviewees were split on whether racial equity is a current trend or an ongoing commitment, they generally agreed that for progress to be made and sustained, it must be supported in the long-term.

Interviewees described perceiving a current disjuncture in the field between racial equity work as it currently exists across philanthropies and what interviewees may optimally envision in the long-term to achieve complex racial equity goals.

The following themes summarize interviewees' thoughts on how racial equity work could be sustained:

- **Racial equity requires naming racism and White supremacy.** Interviewees felt that for racial equity to be truly achieved, philanthropies must name, openly address, and work to dismantle racism and White supremacy. Interviewees felt that beyond making public statements, updating logos, and being active on social media, making progress on racial equity requires that philanthropies explicitly name these issues and create space for internal and external conversations regarding racial equity topics.
- **Racial equity requires addressing racist systems and root causes of inequity.** Interviewees felt that achieving success will require coordinated systemic change, which includes both internal changes within their philanthropies' policies and practices and external changes in shifting priorities and areas of focus. For example, interviewees noted that although internal changes to grantmaking strategies and funding criteria may create opportunities to re-envision how funds are allocated, these efforts may not move the needle when it comes to addressing persistent racial inequities. Interviewees felt that reconciling this tension requires that philanthropic staff better understand the root causes of racism and actively engage in wrestling with these root causes in their decision-making. Additionally, they shared that this process should involve philanthropy itself acknowledging its historic and current role in upholding and perpetuating racist systems and norms while also working actively to right the problems created by these systems.
- **Racial equity requires accountability.** Interviewees expressed how accountability for meeting racial equity goals involved guarding against efforts that can make racial equity initiatives a momentary priority. Interviewees described both internal accountability measures (e.g., setting clear benchmarks for changes in grant making or hiring) and external accountability (e.g., establishing standing external advisory committees or publicly communicating specific commitments). Interviewees also described the need to be particularly mindful of overlap with or reliance on other strategic imperatives, such as diversity, equity, and inclusion, which they felt was a fleeting focus. Interviewees noted how these marginal improvements or measures can be seen as pageantry and so ultimately will not move the needle on racial equity in affected communities. Interviewees described how the work should be an ongoing commitment to communities most affected by structural racism.
- **Racial equity requires philanthropy to stay the course.** All interviewees recognized that many philanthropic entities are in the early stages of doing racial equity work. Even representatives of philanthropies that were considered by their peers as further along on their racial equity journey acknowledged that their journey continues. Interviewees described how there is no one-size-fits-all solution to advancing racial equity, and changes to the deep structural roots of racism will take longer than any one grant term. Some cautioned that without the space for trial and error and without true engagement with grantees and the communities with which they are working, institutions may veer off the course of advancing racial equity.



4: Connections and Reflections

The Philanthropic Landscape and the Chicago Commitment

We interviewed philanthropic leaders who represented a range of perspectives and practices related to advancing racial equity, particularly regarding key players in the local Chicago philanthropic landscape. The Chicago Commitment team selected the philanthropies included in this report because of their knowledge of each philanthropy's work in advancing racial equity. The findings show a diversity of philanthropic activities in service of the goal of advancing racial equity.

As discussed above, we learned that working with and through networks and collaborations, in support of shared goals, may strengthen efforts to advance racial equity. Similarly, we learned that individual philanthropies' decisions regarding priorities, policies, and practices may influence the collaborations they join; these factors may also shape the composition and focus of the work of current and future grantees. These approaches are central components of the Chicago Commitment strategy.

At the same time, interviewees indicated that no one institution can move the needle alone. The vast engagement in this work offers opportunity for the Chicago Commitment to contribute to advancing racial equity alongside its peers and community organizations.

Contributions to Advancing Racial Equity

Several interviewees regarded the MacArthur Foundation as influential in the landscape of racial equity work because of its size and reputation; however, most interviewees indicated that they were not aware or had limited knowledge of the Chicago Commitment's racial equity work. Interviewees who were aware of the work felt that the MacArthur Foundation could serve as a model in the field by supporting collaborative efforts that are responsive to challenges confronting affected communities, thus creating learning communities that promote shared knowledge. They also suggested that the Chicago Commitment and the MacArthur Foundation could lead by advancing meaningful internal institutional changes in service of racial equity goals, including board diversification.

Engaging with Peer Philanthropies

Interviewees requested that the Chicago Commitment team share back what they learn from this report with the philanthropies who participated in data collection. They indicated that their individual organizations could benefit from understanding what others are doing to advance racial equity, including the Chicago Commitment and the MacArthur Foundation more generally. Several interviewees also expressed an interest in developing ongoing synergistic relationships with the Chicago Commitment team and their peers focused on advancing racial equity.

Reflection Questions

Collectively, the range of racial equity activities and emerging views on best practices can inform how the Chicago Commitment team reflects on their own perspectives, positions, goals, and practices. Based on the findings in this report, EDC offers three key questions for the team's reflection:

What can the Chicago Commitment team influence through its strategy?

Interview findings indicate that philanthropies are developing new ways of working to achieve racial equity goals; however, new lines of philanthropic work that effectively respond to racial inequities require ongoing advocacy for change in how grant makers understand and conduct their work. As the Chicago Commitment team reflects on their own racial equity plans and practices, EDC recognizes the team's unique individual and collective positions of power and levers as they seek to advance racial equity in the Chicago region. Areas of control and influence could include (but, of course, are not limited to) grantmaking priorities; types of grants given; grantee requirements in proposals or reporting; relationship building with communities and current and future grantees; staffing and hiring within the team; and focus areas, types, and content of collaborations with other philanthropies and community organizations.

How can the Chicago Commitment team influence the MacArthur Foundation?

The philanthropic leaders we interviewed discussed the agency and actions taken among philanthropic staff at various levels in supporting change within their institutions. As the Chicago Commitment strategy is centered squarely on advancing racial equity, the Chicago Commitment team has the opportunity within the MacArthur Foundation to use its agency to take individual and collective action, advocating for institutional priorities, policies, and practices that are in service to the strategy's goal. Areas of advocacy identified from the findings in this report may include budgets and spending that prioritize historically marginalized communities, hiring and human resources policies that support current and future staff from these communities, continued attention to diversifying the board and senior leadership, increased attention to who oversees the MacArthur Foundation's investment portfolio, and an ongoing focus on external communications that amplify the foundation's commitment to advancing racial equity.

How can the MacArthur Foundation and the Chicago Commitment influence the field?

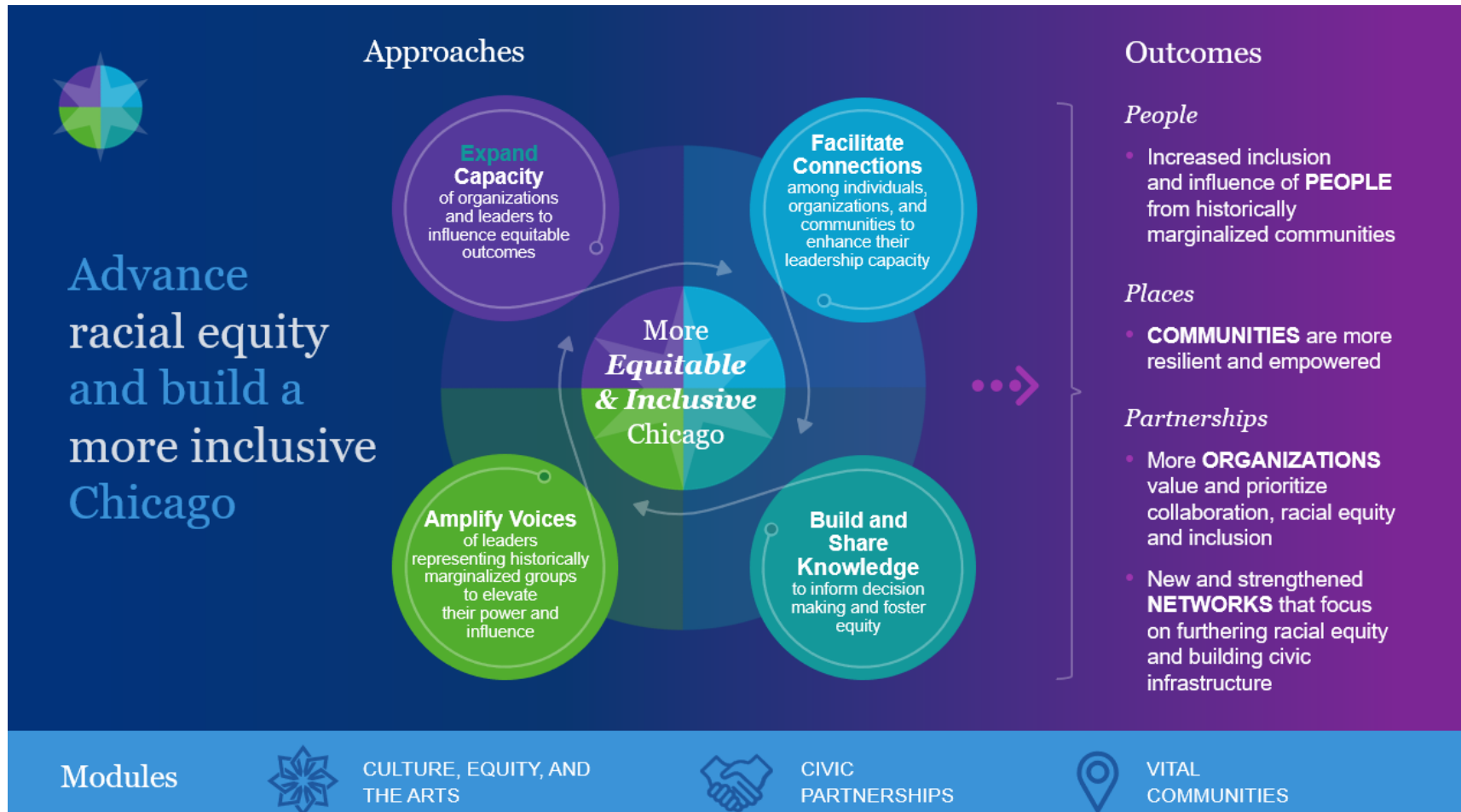
The philanthropic leaders we interviewed described a wide range of policies and practices, and the philanthropies themselves represent a range of organizational structures in which certain policies and practices are easier to enact than others. For example, interviewees from collaboratives spoke to the advantages they had from their big picture view of racial equity work across multiple philanthropies. Smaller philanthropies spoke to the advantages of working more closely with smaller grantees and funding them more quickly and with fewer restraints, as they do not have many administrative barriers. Larger philanthropies spoke to the benefit of having more resources and sometimes a broader reach to national partners outside of Chicago, which they had heard from grantees was an important benefit.

With these perspectives in mind, interviewees recognized that the MacArthur Foundation carries influence due to its size and reputation and therefore has the capability to influence its peers and their priorities and practices. For the Chicago Commitment team, areas of influence could be in

how racial equity is defined or prioritized by the field, how institutions or other community partners are convened to address issues, the makeup of philanthropies involved in a collaboration and the power structures of those collaborations, how racial equity is centered in future collaborations and partnerships, and how the Chicago Commitment shares learning and works in partnerships with its grantees and community partners to promote change.



Appendix A: Theory of Change





Appendix B: Full Description of Methods

Methods Overview

This report includes information EDC gathered from 14 semi-structured interviews with a cross section of leaders of local, regional, and national philanthropic organizations and a qualitative review of a larger purposeful sample of websites and social media feeds from 35 peer philanthropic organizations and collaboratives. EDC used a two-step process, described below, to gather the data that were analyzed and interpreted and, ultimately, formed the findings of this report.

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Step 2: Interviews

Following the website and social media review, the Chicago Commitment team, with the support of EDC and the Office of Evaluation, narrowed the list of 35 philanthropic institutions to 16 organizations from which they wanted to learn more specifically about their work related to racial equity. To collect interview data, program officers contacted representatives from each of the identified organizations and requested 30-minute interviews related to their organization and their racial equity work. EDC staff conducted interviews in April and May 2021 (see Appendix C for the interview protocol used in this study).

⁹ The use of information via foundations' websites offered an inherently limited perspective. Information on websites may not have been up to date, may have been of varying quality, and may have been incomplete. Despite these limitations, a compilation of the publicly communicated information was a helpful first step to providing a general overview of how the philanthropic sector considers and addresses equity/racial equity.

Study Sample

Review of Organization Websites and Social Media Feeds

The initial review of websites and social media comprised a sample of 35 foundations, collaboratives, and associations. The sample included national foundations (n = 14), local foundations based in Chicago (n = 9), foundations doing place-based work (n = 7), and collaboratives or associations (n = 5). We also included the MacArthur Foundation in the review.

The initial sample of philanthropies were chosen based upon recommendations from the Chicago Commitment team and the Office of Evaluation; the sample was not intended to be a representative sample of peer organizations, but rather a purposeful sample to inform the inquiry. The purposefully selected philanthropic institutions were perceived to align in one or more ways to the work of the Chicago Commitment (e.g., national foundations focused on equity, foundations doing place-based work like the Chicago Commitment, and local foundations doing equity-related work in the Chicago region). The final sample was developed with iterative input and feedback from the Chicago Commitment team and Office of Evaluation.

Interview Sample

The interview subsample included leaders of 16 philanthropic organizations that were included in the website review and the Chicago Commitment team prioritized institutions based in the Chicago region, although some national philanthropies and collaboratives or associations were identified and included. Seventeen representatives from 14 philanthropies agreed to be interviewed; three interviews involved two staff participating from the same organization. Of the 14 philanthropies, interviewees represented eight institutions in the Chicago region, four national foundations, and two collaboratives or associations.

Analysis and Findings

EDC summarized findings from the review of organization websites in brief profiles of each philanthropy. The information contained in the profiles informed the development of the interview protocol, which was iterated in consultation among EDC, the Chicago Commitment team, and the Office of Evaluation. Following the interviews, EDC systematically analyzed those data for overarching themes related to the guiding questions categorizing and summarizing data, first by each interview and then across interviews to explicate and specify the overarching themes. Iterative and confirmatory analysis conversations with EDC's team contributed to a final set of thematic key findings and the overall "story" of the results for the purposes of the report.

Limitations

Review of Organization Websites and Social Media Feeds

We believe the data we collected from the review of the organizational websites are limited in the way that all information presented on websites is limited: First, in terms of accuracy, the

information is meant for the public, and therefore is developed to present the best picture of the organization. Second, the information on organizational websites may not be updated regularly and therefore may not represent the most recent status of that organization's initiatives.

Despite these factors, we embarked on compiling the publicly communicated information to help set the stage for the interviews and to facilitating learning about how a sample of the philanthropic sector conceptualizes and publicly describes equity work.

Interviews

Because we worked with the Chicago Commitment team and the Office of Evaluation to select a purposeful sample of philanthropies—and the specific representatives within them that would be interviewed—the data we collected (and thus the findings) are limited in that they are not representative of how philanthropies generally may consider the importance of work to advance racial equity or how others within the organizations we sampled may perceive the issues.

Foundation representatives included in the interviews were selected by the Chicago Commitment team based on their knowledge of their peers' work in philanthropy and their relationships with leaders at those foundations. In addition, the prioritization of Chicago-based philanthropies led to an overrepresentation of racial equity work specific to the Chicago landscape. The findings in this report, therefore, may not be generalizable nationally, nor to philanthropies for which the Chicago Commitment does not have relationships with or may not be engaged in racial equity work. Therefore, EDC recognizes the inherent, but important, bias of the perspectives and experiences represented in the findings of this report.



Appendix C: Interview Protocol

Interview Introduction

Thank you for making time to be here with us today. As part of MacArthur Foundation's strategic focus on advancing racial equity in Chicago, we are reaching out to philanthropic leaders like yourself to understand your perspective on philanthropy's role in advancing racial equity in Chicago. The Chicago Commitment team values your perspectives as a philanthropic leader and is interested in learning more about your philanthropy's racial equity-related work.

During our time together, we will ask you questions related to your philanthropy's approach to advancing racial equity in grantmaking and other activities and your perspective on the landscape of philanthropy's contribution to advancing racial equity in Chicago.

The information that you provide in this interview today will be used to help the Chicago Commitment team learn and improve its work. This interview will take approximately 30 minutes. Your participation is completely voluntary. You can skip any question you do not want to answer and discontinue your participation and log off at any time. We will not be recording this session but would like to take notes to represent your ideas and feedback more accurately. These notes will only be used by us in developing a report, and your comments will be summarized together with what we learn from other philanthropic leaders in a report for the Chicago Commitment team.

Do we have your consent to continue with the interview? If yes, thank you.

Interview Questions

In this first part of the interview, we are looking to better understand your philanthropy's approach to racial equity and how you see your philanthropy contributing to the larger landscape related to racial equity in the [area/region].

1. To start we'd like to hear briefly about your foundation's racial equity journey up until this point, and what put you on that path to working on racial equity? *(Example prompts if needed: board edict, new leadership brought forth a vision/pitch, grantee pushback, the community, etc.)*
 - a. Tell us more about what your foundation is trying to accomplish related to racial equity.
 - b. What did you change (start doing, stop doing, doing more/less/differently) both to internal or external practices, structures, or policies, in service of the racial equity goals? *(Examples if needed: trainings internally – and if so, with whom [the board, staff, grantees, etc.] changing types of grants; changing how they identify and/or select grantees; changing reporting structures; changing grant requirements; etc.)*
 - c. Based on your organization's experience, what lessons or guidance would you share with foundations with racial equity goals?

2. In your opinion, which philanthropies, institutions, or organizations are making the most influential contributions to racial equity?
 - a. Are you aware of MacArthur's efforts in Chicago with regard to racial equity?
 - i. If so, how would you characterize your understanding of MacArthur's involvement or efforts with racial equity in Chicago?
3. A focus on racial equity appears to be a current trend in philanthropy. Do you think this is a trend?
 - a. If you think it is a trend, do you think this trend will continue?
 - b. What are the implications of this for your philanthropy's approach to racial equity?



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