



FROM COLOUR BLIND TO RACE CONSCIOUS

A Roadmap to Action Diversity and Inclusion in Australian Philanthropy

Prepared by the Centre for Social Impact and Jumbunna Institute for Indigenous Education and Research

July 2023



Acknowledgement of Country

In the spirit of reconciliation, CSI UNSW and Jumbunna Institute for Indigenous Education and Research acknowledges that their operations are situated on Bidjigal and Gadigal lands, and that the Bidjigal and Gadigal people remain the spiritual and cultural custodians of their lands, and continue to practise their values, languages, beliefs and knowledge. We acknowledge the Traditional Custodians of the country throughout Australia and their connections to land, sea and community. We pay our respect to their elders and extend that respect to all Aboriginal and Torres Strait Islander peoples.

Suggested Citation:

The Centre for Social Impact & Jumbunna Institute for Indigenous Education and Research (2023). *From colour blind to race conscious: A roadmap to action diversity and inclusion in Australian philanthropy*. Sydney: UNSW.

<https://culturaldiversityinphilanthropy.online/>

Centre for Social Impact

The Centre for Social Impact (CSI) is a national research and education centre dedicated to catalysing social change for a better world. CSI is built on the foundation of four of Australia's leading universities: UNSW Sydney, The University of Western Australia, Swinburne University of Technology and Flinders University. Our research develops and brings together knowledge to understand current social challenges and opportunities; our postgraduate and undergraduate education develops social impact leaders; and we aim to catalyse change by drawing on these foundations and translating knowledge, creating leaders, developing usable resources, and reaching across traditional divides to facilitate collaboration.

Jumbunna Institute for Indigenous Education and Research:

The Jumbunna Institute for Indigenous Education and Research aims to produce the highest quality research on Indigenous legal and policy issues and to develop highly skilled Indigenous researchers.

Acknowledgements

The Cultural Diversity in Philanthropy Research Initiative is a collaboration of the Centre for Social Impact, the Jumbunna Institute for Indigenous Education and Research (University of Technology Sydney), Macquarie Group Foundation, Perpetual, and Philanthropy Australia. The Centre for Social Impact's work on this project, in partnership with the Jumbunna Institute, is proudly supported by Macquarie Group Foundation. Philanthropy Australia's work on this project is proudly supported by Perpetual.

Disclaimer

The opinions in this report reflect the views of the authors and do not necessarily reflect those of UNSW Sydney, UTS, Macquarie Group Foundation and Philanthropy Australia.

Executive summary

A lack of cultural diversity in the philanthropic sector, especially at decision-making levels, can negatively impact the communities the sector seeks to serve. The sector can play a leading role in addressing issues of race, equity, diversity and inclusion. The first step for any funding organisation to help address these issues is to embed representation that reflects Australia's population makeup and cultures.

This report aims to develop an understanding of the extent of cultural diversity representation (which includes First Nations peoples) in the Australian philanthropic sector and the impact on the partners it works with. It builds upon the previous work done by the Centre for Social Impact and Jumbunna Institute in the [action report](#) (Centre for Social Impact and Jumbunna Institute for Indigenous Education and Research, 2022).

To understand barriers and attitudes around cultural diversity and inclusion, interviews and surveys were conducted with grant funders and grant recipients who represent or support culturally diverse people, communities and organisations. Sixty-four survey responses were received, and 20 people participated in interviews. Four themes were drawn from the research findings.

“Philanthropists can't truly empower diverse organisations and people until they recognise that [their] ways of working need to fundamentally change”

(survey participant).

Theme One: Representation in board roles and beyond

Theme Two: Partnerships

Theme Three: Funding and visibility

Theme Four: Questioning purpose, power and privilege

The report found a clear disconnect between intention and practice. Although there was agreement that representation of culturally diverse people on boards and in senior leadership teams is important and necessary, the philanthropic sector does not currently reflect the diversity of Australia's current population, makeup and cultures.

Grant recipients had more culturally diverse decision-makers and leaders in their organisation than did funders.

Funding organisations did not appear to be implementing culturally inclusive practices and strategies, or making genuine efforts to understand the community they seek to serve. This impacts funders and recipients in several ways, including a lack of diverse expertise in decision-making, a lack of funding available to grassroots organisations that serve under-represented groups, and a lack of targeted support to help recipients succeed and thrive. In addition, recipients felt invisible; their needs were not heard, understood, or prioritised.

Grant recipients felt their values and those of the funder do not always align.

Less than 14% of funders who responded to the survey strongly agreed or agreed that their executive and leadership teams were culturally diverse, compared to over 50% of grant recipients who responded to the survey strongly agreed or agreed that their leadership and executive teams were culturally diverse.

Almost seven out of 10 (67% strongly agree/agree) of survey respondents who were grant recipients felt their **values are incompatible** with that of the funding body, and more than half (54%) strongly agreed or agreed that **addressing the needs of communities from marginalised, culturally diverse backgrounds are not prioritised** – either in philanthropic funding commitments or in the eligibility criteria. Indigenous groups felt a persistent cultural load.¹

A lack of robust data on culturally diverse groups creates additional barriers for both funders and recipients. The philanthropic sector also lacks a coherent system of collecting and sharing data (Philanthropy Australia, 2023).

There needs to be a shift in focus, away from Western-informed² grant-making practices to practices that embed genuine inclusion with an equity and intersectionality³ lens. This requires funding organisations to (1) reflect and question the purpose behind their philanthropic actions, (2) be open and committed to a shared ownership model that empowers communities and (3) be transparent about their own makeup and practices.

This report serves two purposes – first, to fill a gap in research on issues of equity, diversity and inclusion in the Australian philanthropic world. Second, it is a call for action for funders to respond to the findings.

Informed by rich qualitative insights, the report sets out the following 16 actionable recommendations to create a roadmap to action diversity and inclusion in the philanthropic sector in Table One. Of these, five recommendations are prioritised. These are highlighted in bold.

Creating the right conditions in Australian philanthropy will enable the sector to progress, from ‘embracing’ diversity to enabling and actioning genuine inclusion. This reform and shift in practice presents a great opportunity for the sector to lead and ‘be a Voice for Generations’.⁴



1. Cultural load is the (often invisible) additional load borne by Aboriginal and Torres Strait Islander people at work, where they are the only Indigenous person or one of a small number of Indigenous people (Ragg, 2019).

2. The terms ‘Western-informed’, ‘Westernised lens’ and ‘Western-imposed’ are used interchangeably in this report. The terms refer to Anglo-Western modes of thinking that are not informed by Indigenous and culturally and/or racially marginalised methodologies and practices.

3. Intersectionality’ refers to the ways in which different aspects of a person’s identity can expose them to overlapping forms of discrimination and marginalisation (Victorian Government, 2021).

4. The 2023 theme for National Reconciliation Week is “Be a Voice for Generations”

Table 1:

THEME	ACTIONABLE RECOMMENDATIONS
<p>Representation in board roles and beyond</p>	<ul style="list-style-type: none"> • Adopt inclusive practices to recruit people from different backgrounds, cultures and sectors to board, executive team and staff roles that have influence and make decisions. • Establish dedicated committees with direct access to boards to advise on diversity and inclusion matters. • Work with culturally diverse people and community representatives to find optimal solutions to increase representation. The aim is to lessen cultural load, particularly on not-for-profit organisations, while attracting people from different cultures and backgrounds.
<p>Partnerships</p>	<ul style="list-style-type: none"> • Start early to initiate partnership-building processes, recognising commitment, trust and solidarity as key to success. • Shift towards an immersive, engaged, co-designed and collaborative process and practice and away from gatekeeping practices. • Promote the practice of participatory grant-making across organisations and the sector.
<p>Funding and visibility</p>	<ul style="list-style-type: none"> • Make networking and other social capital opportunities more inclusive, to encourage a wider group of people from diverse backgrounds to grow their networks and increase their visibility. • Examine and be open to amending funding opportunities, grant guidelines, application processes and reporting requirements to be culturally sensitive, less cumbersome and less competition driven. Re-frame or re-write rule books, guidelines and norms in close consultation with the partners being supported. • Embed an equity and intersectionality lens such that both issues and the people impacted by these issues are understood and equally prioritised – cultural diversity becomes the norm rather than an ‘add-on’. • Establish guidelines to collect robust baseline and other data, to build and share information about cultural diversity and the various groups that come under it. • Develop a coherent and comprehensive system for collecting, sharing and monitoring key data within the philanthropic sector. • Learn lessons from other successful non-Western informed philanthropic funding models.
<p>Questioning purpose, power and privilege</p>	<ul style="list-style-type: none"> • Identify blind spots and genuinely attempt to understand how power and privilege play out in decision-making. • Establish standardised principles to embed equity-centred safe workplace culture, values, practices and policies. • Set out a plan of action to incorporate transparency, accountability and robust measurement with respect to cultural diversity representation and granting practices. • Be an advocate for shifting culture and mindset and creating change within the sector.

Introduction and background

Businesses globally are being urged to do better to address racial and human justice inequalities. This includes the philanthropic sector, which plays an important role in supporting work to address social and systemic issues. There is now an opportunity for the Australian philanthropic sector to play more of a leading role in addressing issues of race, equity, diversity and inclusion. Embedding cultural diversity and representation within a grant-making organisation (through people and in policies) is the first step in this process. By creating the right conditions both within its own walls and outside, the sector can be instrumental in building a racially just society and be a catalyst for real social reform and shifting practice.

What is cultural diversity⁵ and representation?

‘Cultural diversity’ is the representation of people with distinctly different cultural group affiliations, particularly under-represented minority communities and members (Fredette et al., 2021). We emphasise here that the term ‘cultural diversity’ throughout this report also refers to the experiences of Aboriginal and Torres Strait Islander peoples.

The importance of cultural diversity in the philanthropic sector has roots in social justice, fairness and equity (Azevedo et al., 2021). Ideally, diversity in philanthropy includes a full range of perspectives, ideas and experience in philanthropic decision-making (Rockefeller Philanthropy Advisors, 2022). These diverse perspectives come from differences such as gender, race, sexual orientation, religious beliefs, disability, socio-economic status, age, and geographic representation (Azevedo et al., 2021; Weisinger et al., 2016). These perspectives should not only be embedded within organisations on the receiving end of funds in the philanthropic sector; diversity should also be inclusively and actively included at the granting end, informing and directing strategy, decision-making, and funding prioritisation (Fredette et al., 2021).

The aim of inclusive practice is for people from diverse backgrounds to be integrated across all aspects of organisational culture, practices and activities (Weisinger et al., 2016). Implementing inclusive practices can support social and functional engagement across diverse cultural groups (Kasper et al., 2004). The related concept of ‘representational diversity’ is where organisational composition represents the characteristics of the community (Weisinger et al., 2016). To be meaningful and effective, representational diversity needs to be genuinely transformative rather than tokenistic (Weisinger et al., 2016., Scaife et al., 2016). An example of tokenistic representation is hiring a person from a minority group purely for the purpose of fulfilling diversity quotas and preventing external criticism (Holgerson et al., 2020), while not changing any management or decision-making practices in response to input from the new employee.

International research has noted the importance of the philanthropic sector establishing diversity, equity and inclusion best practices and working in partnership with people and communities who are racially and ethnically marginalised (Lingayah, Wrixon & Hulbert, 2020; Power to Change, 2023). Disappointingly, the action report (The Centre for Social Impact & Jumbunna Institute for Indigenous Education and Research, 2022), released as the first part of this project, showed that there was a lack of research on cultural diversity and representation in

5. ‘Cultural diversity’ in this report is used to broadly refer to culturally marginalised people and communities including Aboriginal and Torres Strait Islander peoples, that are not from Anglo-Western origins. We acknowledge that ‘cultural diversity’ can be used as a construct that is both part of an individual identity, and a term that can be ‘put on’ others as a way of describing or othering or discriminating against culturally marginalised groups of people.

The Australian Bureau of Statistics defines cultural diversity as it relates to a person’s country of birth, their ancestry, the country of birth of their parents, what languages they speak, whether they are of Aboriginal or Torres Strait Islander descent, and their religious affiliation (Australian Bureau of Statistics, 2016).

the Australian philanthropic sector. A disconnect in perceptions between grant makers and grant seekers is also a problem (Gillies et al, 2017).

The research work

Building upon the action report (The Centre for Social Impact & Jumbunna Institute for Indigenous Education and Research, 2022) and the work done by Gillies et al (2017) on moving philanthropy towards a better practice model, this report aims to develop a further understanding of the extent of cultural diversity representation in the Australian philanthropic sector, and how this impacts the partners it works with. The report presents the findings from interviews and surveys with grant funders and grant recipients⁶ who represent or support culturally diverse people, communities and organisations⁷. This initial investigation aims to fill a gap in understanding about diversity in the philanthropic sector. It does so by providing insights into barriers and attitudes, and recommending practical solutions that can be implemented by organisations. Four themes were drawn from the research findings. Each theme has a set of ‘actionable’ recommendations to encourage reform and shifts in practice.

Philanthropists hold a position of institutional power in the funder-recipient relationship. For this reason, work conducted by the sector to bring about reform should not place any additional burden or cultural load on recipients. Funders need to be willing to act upon these recommendations and change their practices through guidance and in consultation with culturally diverse people and communities.

The intended audience for the recommendations is the Australian philanthropic sector but may also cross over to other grant-making institutions such as State and Federal Governments.

Research method

Between January and March 2023, Australian grant makers and recipients were invited to take part in the Cultural Diversity in Philanthropy project. Data was collected using both an online survey and semi-structured or ‘yarning-style’ interviews.

The opportunity to participate in the survey and in interviews was promoted via a website link when the action report was launched through mainstream media and social media⁸. The action report and the opportunity to take part in the research was also promoted by sector partners through their networks. Interview participants (both grant makers and grant recipients) directly contacted the researchers expressing interest to participate.

64 responses (30 grant makers, 34 grant recipients) were received to the survey. Grant makers were asked about their organisation’s current strategies, policies and processes that focus on improving cultural diversity. Grant recipients were asked about barriers and enablers they experienced when receiving funding. **Appendix A**, Tables 1 and 2 has a breakdown of survey respondents based on their organisational characteristics.

A total of 20 interviews were conducted with grant makers, grant recipients and those who functioned as both. Participants represented organisations (of various sizes) that were culturally

6. The report uses the terms ‘grant funders’, ‘grant makers’ and ‘funding organisations’ interchangeably. Similarly, the report may refer to ‘grant recipients’ as ‘grant seekers’ or ‘beneficiaries’.

7. Where the report mentions culturally diverse people or culturally diverse organisations, these represent people or organisations from **both** Indigenous and culturally and racially marginalised (CARM) groups. Statements that refer only to Indigenous groups or to culturally and racially marginalised groups are specified accordingly.

8. The launch of the action report and survey/interviews was promoted through a media release resulting in a nationally syndicated ABC radio story reaching an audience of 2.2 million, and through CSI LinkedIn (28,200 followers) and Twitter (23,400 followers)

and racially marginalised (CARM⁹), Indigenous, or which had significant experience working with culturally diverse people or organisations. Participants were asked about their understanding of cultural diversity representation, impact on funding decisions and actions that could be taken both within the grant-making organisation and with beneficiary partners to improve representation and inclusion. **Appendix A**, Table 3 has a breakdown of interview respondents based on the organisation they represented.

The results in this report are primarily led by qualitative insights from surveys and interviews, complemented by descriptive survey data. Quantitative results provided evidence to support interview findings. The research design was guided by input from an expert advisory group and received ethical approval prior to participant recruitment. Feedback on the report was sought from the expert advisory group, as well as funders and supporters of the research.



9. This report follows the definition provided by The Diversity Council of Australia (DCA). DCA use the term ‘culturally and racially marginalised’ (CARM) to refer to people who are not white. This includes people who are Black, Brown, Asian, or any other non-white group, who face marginalisation due to their race.

Report findings

Theme One – Representation in board roles and beyond

Actionable Recommendations

- Adopt inclusive practices to recruit people from different backgrounds, cultures and sectors to executive team and staff roles that can influence and make decisions.
- Establish dedicated committees with direct access to boards to advise on diversity and inclusion matters.
- Work with culturally diverse people and community representatives to find optimal solutions to increase representation. The aim is to lessen cultural load, particularly on not-for-profit organisations, while attracting people from different cultures and backgrounds.

Grant makers and recipients agreed that representation of culturally diverse people in the executive team (CEO and board of directors) and in senior leadership teams is important and necessary. This finding was consistent across both surveys and interviews. However, things looked different in practice. There was a **clear mismatch between funders' and recipients' levels of organisational diversity representation.**

Of the 34 grant recipients who responded to the survey, 60% strongly agreed or agreed that their executive teams were culturally diverse, and 50% strongly agreed or agreed their leadership teams were culturally diverse.

By contrast, of the 30 grant makers, only 14% strongly agreed or agreed that their executive teams were culturally diverse and 13% strongly agreed or agreed their leadership teams were culturally diverse (Appendix B, Table 1)

“Every single person on the board is of like white Australian background. There is no cultural diversity on the board”

(Interview participant).

“I think there’s a very low representation of Indigenous peoples in decision making areas, I’m not aware of any”

(Interview participant).

Most grant makers (76%) strongly agreed or agreed that they considered cultural diversity when providing philanthropic funding. Both funders and recipients also strongly agreed that boards and senior leadership teams have a strong influence over funding decisions (**Appendix B**, Table 4).

However, grant makers seemed to overlook the benefits of embedding cultural diversity in the membership of influential committees, and were not considering cultural diversity when developing employment practices and policies in their organisation.

There was a perception among interview participants representing culturally and racially marginalised organisations that reasons for a lack of representation in funding organisations are likely to do with recruitment practices that have not been questioned for a long time, and which are generally framed using a 'Westernised' lens. It appeared to them that appointments were made through personal and political connections, board members chosen through a 'Captain's call' – or in the case of government bodies, directly through a minister-approved shortlist.

Hence, even though there may be a commitment towards inclusion and representation, participants felt it does not translate into practice.

“All board appointments tend to be unofficially through contacts, networks and recommendations”

(Interview participant).

A lack of representation means that boards do not reflect Australia's cultural makeup; they do not represent the community they seek to benefit. **The board misses out on valuable expertise from diverse cultures and groups that would strengthen inclusivity and effectiveness when making grant decisions.**

As one participant noted,

“[Cultural diversity representation] enables [an organisation] to have an amazing group of people sitting around the table, who have different points of view and experiences that enrich the process that in turn, will influence policy and then systems”

(Interview participant).

Interviews with grant makers revealed a general commitment to inclusion of Indigenous representation at various levels. However, it is not fully clear how and in what ways this leads to better practices and funding decisions, and all noted there was more work needed to improve the implementation of the commitment.

Participants suggested various approaches to increase diversity representation in board roles and beyond.

One, there was strong encouragement from both grant funders and recipients to build a **pipeline of diverse talent within funding organisations from board level onwards**. Recruiting culturally diverse people to consultant and non-executive board member roles can enable them to be actively involved in grant design and decision-making processes. A clear reference was made to diversity that goes far beyond mere tokenism or symbolism.

Only one third (32%) of funders strongly agreed or agreed that the use of internal reference groups, such as advisory committees, was a way to focus on cultural diversity (Appendix B, Table 2).

Only one third of funders indicated that their internal practices and policies, such as recruitment and training strategies, workplace initiatives and communication, are driven by culturally diverse paradigms/practices (Appendix B, Table 2).

“Philanthropic organisations could seek to recruit, include and support culturally diverse board members”

(Survey participant).

“Having diversity on boards will definitely help because people bring their lived experience”

(Interview participant).

Two, noting the difficulty in attracting Indigenous talent to the sector, participants suggested that the sector at large make a concentrated effort to **take time to explain** its role, what the sector does, and the opportunities provided by representation.

“We need to explain what it is and get mob comfortable with it, before we jump into getting people employed in the space”

(Interview participant)

“Philanthropists are just starting their journey towards reconciliation. There is a great cultural uplift needed before they start hiring Indigenous peoples”

(Interview participant)

Three, dedicated committees or advisory groups consisting of culturally diverse members must be formally established, with direct access to advise the board on diversity, equity and inclusion matters. ‘Diversity specific’ committees will enable board members to draw consistently on lived experiences and expertise to positively influence decisions.

“Having an Indigenous advisory group has changed how we position ourselves, what we fund and how we fund it”

(Interview participant)

“Have a steering committee with respected culturally diverse leaders to guide the programs”

(Survey participant)

Another suggestion to increase representation was to build in **diversity quotas** that promote intentional recruitment, and mandate seats, including core positions, in the board’s constitution.

Four, the development and expansion of Reconciliation Action Plans could assist organisations with setting clear targets and commitments for First Nations representation within their organisation. While some organisations may have started this process, it is not widespread.

Five, to recruit new board members and other senior roles within the organisation, it was suggested that **past grant beneficiaries and community leaders** be considered for positions.

“Recruit board members who are from community organisations who have been funded or would be funded so that they have people with actual insight at the decision-making level”

(Survey participant)

Six, recruitment methods and selection criteria must be **inclusive and free from bias**. Participants noted that increased representation can be achieved by building relationships with communities and getting to know the strengths of people from diverse backgrounds.

“Invest in board members who are connected to community, not just business”

(Survey participant)

Recruitment selection criteria can be made more inclusive by prioritising lived experiences, or giving weight to specialist or expert knowledge that is transferable to leadership roles. Providing a safe space or platform for diverse board members to share their success stories may also encourage people to consider applying for positions. Recruitment postings should also be inclusive and be framed in a way that encourages people to profile their diverse strengths (survey participants).

Other suggestions made to increase representation were:

- Consider **remuneration** to join boards. This can be a way of compensating for wealth privileges that are traditionally attached to these roles.
- Offer **training and development** to enable emerging culturally diverse leaders to take on senior roles.
- **Share knowledge** from peer organisations that have successfully embedded representation in their boards.
- Consider and plan how to embed representation during **succession planning**.

Importantly, grant recipients noted that they should not be considered solely responsible nor expected to act as a ‘pipeline’ for increasing Indigenous staffing talent, either within the sector or for specific grant funders.



Theme Two – Partnerships

Actionable Recommendations

- Start early to initiate partnership-building processes, recognising commitment, trust and solidarity as key to success.
- Shift towards an immersive, engaged, co-designed and collaborative process and practice and away from gatekeeping practices.
- Promote the practice of participatory grant-making across organisations and the sector.

Interview participants noted the **absence of genuine partnership** between funders and the people and communities they seek to assist. Partnerships require connections to be built between funders (from the board level onwards) and communities, but the research found that this was not occurring.

“How does a, you know, little Indigenous group partner with a multimillionaire? Or what’s the chances of them even running into the multi-millionaire run on the street and getting the chance to share about their organisation”

(Interview participant)

Participants representing culturally and racially marginalised organisations noted that, because funders are in a position of power, they determine grant criteria and conditions as well as outcomes. This also means that funders’ priorities around responsibility and accountability, tend to be given more importance in grant applications. Project outcomes are rarely developed through partnership. Such **gatekeeping practices** make connection-building very difficult and widen the disconnect between grant makers and recipients.

According to recipients, funders **do not have a deep understanding of the people and the communities they seek to serve**, nor of the cultural nuances within those communities. This also makes implementing genuine partnerships very difficult.

“You can live your whole life in quite a white bubble. Without really understanding what’s happening”

(Interview participant)

Creating new partnerships can also take up a lot of time and energy.

“Connections with new funders also take up a lot of time- we’re constantly trying to upskill funders and having to change conversations based on their cultural awareness”

(Interview participant)

Indigenous grant recipients strongly reported on the **cultural load** often placed upon them to educate funders about historical and current practices and cultural protocols for First Nations peoples. This cultural load arose from funders relying upon Indigenous recipients as a source for cultural information, advice and support, such as providing speakers for Reconciliation Week or having to educate funders about Indigenous issues.

“You become all things to all people- we become an advisory role to organisations about cultural competency, Reconciliation Action Plans and finding them guest speakers”

(Interview participant)

“We’re constantly explaining ourselves and our stakeholders’ perspectives to funders, which adds a substantial cultural load”

(Interview participant)

A shared understanding of common values fosters productive partnerships, but grant recipients felt that such a shared understanding and alignment of values was currently lacking.

Almost seven out of 10 (67% strongly agree/agree) of survey grant recipients felt that their values are incompatible with that of the funding body and therefore they don’t apply for funding (Appendix B, Table 4).

Without either a commitment to understanding the community or authentic partnerships, the needs of culturally diverse people get overlooked and are not met.

More than half of recipients in the survey (54%) strongly agreed or agreed that addressing the needs of communities from marginalised, culturally diverse backgrounds are not prioritised either in philanthropic funding commitments or in the eligibility criteria (Appendix B, Table 4).

Participants offered various suggestions to foster partnership:

One, funders and decision-makers must **research, listen, learn, and consult** with the organisations they seek to impact. Elements of **trust and shared power** were considered crucial.

“We [non-First Nations people] need to sit back and learn from how First Nations people prioritise philanthropy, how they practice it, their purposes behind it”

(Interview participant)

“Actually come and listen to us and learn, do your homework and ensure our values are aligned”

(Interview participant)

Two, there needs to be a **genuine commitment** to better understanding Indigenous issues, including the importance of not placing additional burdens on grant recipients. Once such a commitment is in place, necessary actions to build staff capacity like cultural awareness training are automatically prioritised. Commitment and action help foster partnerships, creating flow-on benefits for grant processes.

“Get a better understanding of us and our needs- we shouldn’t be educating you or trying to share with you the cultural understanding of what we do in 150 words in an application”

(Interview participant)

“It’s actually us (grant funders) that need to do the work to shift the cultural paradigm and do the work, so when you go out and receive applications, you’re meeting applicants somewhere and can connect through partnerships”

(Interview participant)

Three, a **participatory grant-making** approach¹⁰ was suggested to empower individuals and communities and bring about equity in grant-making practices. Though this approach exists, it is not yet practiced widely in the sector.

10. In this approach to funding, decision-making power about grants is ceded to the communities who are impacted by funding decisions (Australian Philanthropic Services, 2022).

See also <https://www.ceiglobal.org/work-and-insights/report-participatory-grantmaking-building-evidence>

“I think engaging with the beneficiaries, right at the beginning, prepare, you know, so that it’s like a co-ownership process, basically bring the beneficiaries into the design process of any system”

(Interview participant)

Four, participants representing culturally and racially marginalised organisations noted the importance of funders making **on-site visits** to communities, small charities and grassroots organisations. Funders can see first-hand the “ownership by those communities who are the recipients and the beneficiaries of that fund” (Interview participant) and help to understand the breadth and scope of their work, causes and contributions. Visits can also encourage culturally diverse people and communities to tell their story in their own way and language (in both the literal and colloquial senses).

This in turn builds trust and increases the funder’s knowledge and understanding of people and issues, providing opportunities for partnering to generate creative ideas that best serve the community.

“There’s such a rich pool of talent, waiting for the sector to know and enrich its decision making and its connection to the community”

(Interview participant)

Five, to address the issue of disconnectedness, it was suggested that **‘community-style’ workshops** or information sessions be held prior to grant release. Introducing guidelines, templates, application processes and eligibility criteria to community partners in this way can help to bridge the funder—recipient gap. Adopting different approaches to supporting partners, such as ‘meet and greet’ learning sessions and coaching workshops following a coach-incubate-collaborate model, can also create a climate of partnership. An example of how this could be done was suggested by one participant.

“We set it up with tea and biscuits and people started getting to know each other. So it was a gathering. So you’re already designing the experience in a non-threatening, non-competitive way. And then we gave out the practical, all the eligibility criteria, showcased people who receive plans before they got a sense of what that was about”.

(Interview participant)

Six, it was also suggested that funders create funding forums at the local, state and national levels to discuss and agree on shared culturally diverse priorities, long-term strategy, and accountability targets. This would empower the sector as a whole, and build the foundation to foster productive partnerships between grant makers and recipients.

Theme Three – Funding and visibility

Actionable Recommendations

- Make networking and other social capital opportunities more equitable to encourage a wider group of people from diverse backgrounds to grow their networks and increase their visibility.
- Examine and be open to amending funding opportunities, grant guidelines, application processes and reporting requirements to be culturally sensitive, less cumbersome and less competition driven. Re-frame or re-write rule books, guidelines and norms in close consultation with the partners being supported.
- Embed an equity and intersectionality lens such that both issues and the people impacted by these issues are understood and equally prioritised – make cultural diversity the norm rather than an ‘add-on’.
- Establish guidelines to collect baseline and other robust data to build and share information about cultural diversity and the groups that come under it.
- Develop a coherent and comprehensive system for collecting, sharing and monitoring key data within the philanthropic sector.
- Learn lessons from other successful non-Western philanthropic funding models.

Grant recipients reported that they felt funding seemed like a **‘closed shop’**. Several participants described having to try much harder just to be seen.

“Philanthropy is a real hidden world”

(Interview participant)

“You have to go down a google rabbit hole to look for funding - it’s hard to know where to look. Funders should make themselves known”

(Interview participant)

“The biggest thing for me is about getting out as many applications as I can, even if they may be unsuccessful, just to raise awareness that we are here.”

(Interview participant)

Multiple reasons were outlined for the inaccessibility of funding.

- **Lack of the relevant social capital** (networks and connections) available to mainstream groups. This type of social capital is often Western-informed, and plays a crucial role in entering and having a presence in the mainstream philanthropic world.

“The philanthropic space is a very elitist and exclusive ‘club’ that makes it difficult for people without the right connections or right backgrounds to enter”

(survey participant)

- Similarly, **closed or invitation-only rounds** make it difficult for Indigenous or culturally diverse organisations to access funds, as often they do not have the networks to leverage to get an invitation.

“It makes us as a small organisation really hard to get our foot in the door, particularly when they’ve already decided who they want to support. And often, they come through invitation only, which automatically excludes us as well.”

(Interview participant)

- The **absence of robust, standardised and comparable data** on culturally and racially marginalised groups impacts their visibility. This is a system-wide problem where standardised data on under-represented groups is either unavailable, or available only on a very ad-hoc basis.

“[Culturally and racially marginalised groups] are completely invisible in data... the ABS indicators for cultural and linguistic diversity are completely inadequate”

(Interview participant)

Additionally, data within the philanthropic sector in general is too often poor, incomplete and out of date (Philanthropy Australia, 2023). The absence of a coherent or consistent system for collecting and sharing key information makes it hard for both funders and recipients to gain a clear understanding of where funds may best be allocated or distributed.

- The **lack of an equity and intersectionality lens** impacts the visibility of culturally and racially marginalised organisations.

“As a woman from the Asian background, and as a very, very experienced chair, there is no place for me. Like I have not made it onto anybody’s list... they use the word diverse board, but often they mean that in terms of skill set, they can’t all be lawyers. And I feel that the sector can be either silent or very, very timid around being explicit [about lack of cultural diversity representation]”

(Interview participant)

Participants noted that issues of social disadvantage (such as mental health or homelessness) tend to be prioritised for funding without a nuanced understanding of the specific challenges faced by more vulnerable groups in relation to these issues. Funders do not have the time or the commitment to understand to what extent their funding addresses the specific needs of the different cultural groups within a community. The lack of robust and effective data about these groups compounds the problem.

Culturally diverse organisations, especially grassroots ones, are often established to respond to a need that is not being adequately addressed in the current system. For example, the migrant community, or a community where the population is largely non-white, is likely to have specific mental health and welfare needs, or may face unique risks arising from the climate crisis due to where they live. The problems faced are nuanced, meaning that the solutions demanded also need to be nuanced. Indigenous grant seekers often noted that they would be doing this work anyway, but acknowledgement and support from funders would help to reach more people.

Because of the nuanced nature and complexity of issues that surround culturally diverse groups, it can take a long time to see improvement. This means that outcome-focused, short-term funding may not always be suitable. Without an intersectionality lens, funders may fail to understand such nuances. Culturally and racially marginalised organisations either try to ‘fit in’ to existing norms or remain invisible.

“...trying to fit ourselves into the ‘niches’ funders have identified rather than the immediate needs of our communities”

(Survey participant)

“Grassroots movements that tend to influence real change in communities are often further marginalised by imposed western-focused criteria”

(Survey participant)

- **Restrictions** imposed by funders around the type and structure of First Nations organisations – that is, whether they are majority-owned by Indigenous peoples (i.e. a minimum of 51%), a 50:50 governance structure, or an Indigenous-focused organisation sitting within a non-Indigenous organisation. For example, in the case of majority-owned Indigenous peoples’ organisations (i.e. a minimum of 51% ownership), the cultural safety of Indigenous peoples is often challenged, with philanthropic and other bodies insisting that those First Nations people prove their Indigenous heritage to confirm their eligibility. In another example, organisations with a 50:50 governance structure are not eligible for all types of funding.

“We often don’t meet the criteria of funding as an organisation as we have a 50:50 governance structure. Even though our purpose is reconciliation, and our governance structure reflects this, we are overlooked for opportunities instantly”

(Interview participant)

- The **maturity** of Indigenous organisations was raised by both grantseekers and funders when noting the difficulties in accessing funding, with many Indigenous organisations only being established recently.

“There’s a lot of Aboriginal foundations that are probably in the same boat, where they’re relatively new organisations, and they’re still trying to just get off the ground”

(Interview participant)


“They’re all relatively new organisations who are still trying to struggle with all the standard not for profit requirements. And then they’re saying to us is how do we find the time? What’s that relationship look like? Or how do we show that we’ve got runs on the board to some of these funders. So I think the ones I’ve spoken to, the better ones, have been backed by a big name.”

(Interview participant)

Participants also outlined challenges in relation to delivering outcomes.

- **Lack of effective support** to culturally diverse organisations to deliver funding outcomes. The general perception was that more should be done to fund and support culturally diverse organisations.

This is despite the majority of funders (between 63% and 83%) strongly agreeing or agreeing that they either funded organisations run or led by people from culturally diverse backgrounds, or provided funding to support culturally diverse people and communities (**Appendix B**, Table 2). Half of funders also strongly agreed or agreed that the board and senior leadership team can do more to prioritise culturally diverse groups (**Appendix B**, Table 3).



More than 80% of recipients strongly agreed or agreed they faced barriers in navigating processes (**Appendix B**, Table 4).

- **Western-informed criteria** and funding processes mean that many culturally diverse organisations are less empowered to carry out their work and demonstrate impact. Grassroots community-led organisations lack the infrastructure and resources to be able to undertake the steps and processes needed to meet funding requirements. This includes obtaining deductible gift recipient (DGR) status, preparing and putting forward a competitive application, as well as articulating the impact of their program and demonstrating sustainability.

“Lots of the culturally diverse organisations, particularly if they’re starting off... don’t have the organisational maturity to prepare a competitive application... [or] have enough funds to pay for a professional grant writer”

(Interview participant)

“We’re balancing a lot - putting food on the table, setting up our organisation, getting DGR status...so we are trying to do many things at once”

(Interview participant)

Indigenous participants noted that funding agreements were particularly demanding for Indigenous organisations, imposing a ‘Westernised’ lens on how funds should be spent or how evaluations should be done.

“Some funders absolutely dictate to us. We get told how to spend the money we receive, there is no trust in mob about how we spend money”

(Interview participant)

“Most applications ask for metrics and measurables, which is a very white method of understanding success.”

(Interview participant)

Feedback provided to Indigenous organisations on their funding applications was either not culturally sensitive or simply lacked detail.

“We have a yarn and storytelling, that tells us if we are doing the right thing. We need funding bodies to do the same with us when talking about our applications.”

(Interview participant)

“You don’t get any feedback. In most cases, when you are unsuccessful, it might be a couple of sentences going, it’s a value project, but it doesn’t help get off the ground.”

(Interview participant)

These barriers mean that organisations have less access to funding opportunities and are unable to put forward strong data-driven business proposals that meet funders’ requirements. Without effective support, they also experience challenges in meeting funding deliverables.

Participants suggested options to increase funding opportunities, remove barriers and improve outcomes:

One, it was suggested that efforts must be made to reserve **funding quotas** for specific under-represented groups, that reflect their population makeup and take into account their disadvantage. This is not currently happening in the majority of funding models.

Two, participants suggested prioritising **long-term or multi-year funding** that is flexible and unrestricted. This helps to evidence generational change and better respond to the nuanced nature of culturally diverse community needs. An increase in the supply of ‘untied’ grants, or funding without conditions attached, was suggested to help embed the equity lens. It was suggested that the sector look into **funding models in other countries** (both Western and non-Western) that have a ‘no strings attached’ style of giving with limited reporting requirements. An example provided was the funding model of the MacKenzie Scott Foundation.

“Change in a community is a generational process and projects often take many years for the full impact to be seen. Multi Year funding and patient collaboration is key”

(Survey participant)

Three, participants suggested a concerted effort by the sector to **re-design processes, focusing on strengths-based application processes and inclusive public-facing channels (e.g. in websites and in mission statements)**. This means applicants are encouraged to showcase their strengths and application content in a manner that is inclusive and ‘culture friendly’. Examples suggested were the availability of grant applications in languages other than English, and options to do video presentations in recipients’ own languages. In addition, streamlining guidelines and grant application processes and for documents to be in plain English and jargon-free would be helpful.

“We need to see ourselves there... perhaps the people who do that first cut of reading...all the applications that come in, need to be able to do that cultural translation as well”

(Interview participant)

It was suggested that diversifying the nature of grant applications to be more open to culturally specific talent and expertise will help attract grassroots organisations to apply for funding and increase inclusivity.

“We need to remove as many barriers as possible - what, why and how is all we need. We’re also diversifying how we accept applications, even taking artworks”

(Interview participant)

Four, it was felt that partnering with or **establishing intermediary organisations** (for instance, a local community foundation) will assist to bridge the ‘cultural gap’ between funders and recipients. These intermediary organisations have local knowledge and cultural expertise and when utilised well, can help facilitate the entire process –from proposal design and development through to funding processes and partnerships.

Five, it is important to maintain a **flexible and culturally nuanced approach** to defining project outcomes and deliverables, recognising the complex realities that exist in culturally diverse organisations.

“So much scope to include that kind of equity lens, regardless of what we’re interested in funding as philanthropists, so that we’re not just funding people like ourselves all the time, because we feel comfortable with that”

(Interview participant)

It was suggested that a more flexible and nuanced approach can include **normalising the use of qualitative tools** like case studies to meet reporting and outcome requirements, rather than mandating lengthy, mainly quantitative tools. Adapting legal and compliance/risk processes to be less burdensome was also suggested. Similar measures have also been indicated in other research (Power to Change, 2023).

Six, it was recommended that **cultural diversity and inclusion should be made a norm across all grant applications**. One example suggested was for all ‘mainstream’ applicants to demonstrate how their program benefits culturally diverse groups; in other words, all applications should satisfy this criterion to be eligible for funding.

“I would be asking all of my mainstream applicants to demonstrate how their program is also supporting Aboriginal and Torres Strait Islanders or people from culturally diverse [backgrounds], to build an equitable process”

(Interview participant)

Specific suggestions were made to improve outcomes for culturally diverse people and organisations. Previous reports have included some of these suggestions for the general cohort (Social Ventures Australia and the Centre for Social Impact, 2022), but the below should be specifically considered in relation to culturally diverse groups.

- Providing **funding to meet capacity building** outcomes. Such support could be earmarked for proposal design and development (grant writing, legal advice, financial management, relationship management, risk assessment, compliance processes), brand development and other administrative and operational needs.
- Funding **earmarked for evaluating and tracking** progress outcomes, methods and project impact over time will be useful.
- Providing **‘non monetised’ support** such as mentoring, learning opportunities and support to build specific skill sets, such as grant writing.



Theme Four – Questioning purpose, power and privilege

Actionable Recommendations

- Identify blind spots and genuinely attempt to understand how power and privilege play out in decision-making.
- Establish standardised principles to embed equity-centred safe workplace culture, values, practices and policies across all organisations.
- Set out a plan of action to incorporate transparency, accountability and robust measurement with respect to cultural diversity representation and granting practices.
- Be an advocate for shifting culture and mindset and creating change within the sector.

Grant recipients felt that the philanthropic sector has not been scrutinised on issues to do with power and privilege. A **charity-informed and deficit-looking model**, with power and privilege at its centre, means the sector has not felt the need to question its role, purpose in society, or its actions.

“I think there might be, like...that charitable intent of fixing an area, or, you know, sort of coming in as the white knight or the white saviour to, to inject that, you know, their power and influence and money to fix a problem”

(Interview participant)

Without questioning one’s own power and privilege, it is difficult to be culturally literate or have any knowledge about the strengths of, or issues faced by communities.

“I think, a lot of the trustees or people that determine who gets funded, some of them may never have met an Indigenous person before. And some of the things that we talk about in our written submissions may be new information or the first time they’re hearing about his challenges and barriers.”

(Interview participant)

“A lack of cultural capacity detracts from the empowerment of what we do, as we have to discuss the bad things that are happening”

(Interview participant)

The ‘deficit and privilege’ model also means funding organisations **do little to understand and improve their own workplace culture**.

Less than half of grant makers (46%) strongly agreed or agreed that they have a formal written policy that addresses cultural diversity discrimination in the workplace (**Appendix B**, Table 2)

Only over a third indicated that they have strategies designed to help increase cultural diversity, such as dedicated staff or training in the organisation (**Appendix B**, Table 2) and

Only 12.5% strongly agreed or agreed that their organisation’s employee satisfaction survey included items related to cultural diversity (**Appendix B**, Table 2).

There is also a perception that the sector lacks accountability and transparency in its actions.

For example, participants noted a **lack of transparency** when it comes to the ‘whos’ and ‘hows’ around board makeup and grant-making decisions. This leads to recipients having less trust and confidence in the system.

“We’re kind of like looking for opportunities, but very much in the dark about who it is that’s actually making the decisions”

(Interview participant)

“It’s not at all transparent to what they fund, who is invited to tender and where the money goes. The Impact Reporting all of that is, is not rigorous, and sometimes completely opaque”

(Interview participant)

Participants offered suggestions to address questions of purpose, power and privilege.

One, organisations and the wider sector must be prepared to **face and address tough questions**, such as what perpetuates racism, and why cultural diversity representation is fundamentally necessary.

“Look at your makeup, and how we operate, and then how does that affect our decision-making? How are these things creating barriers into our operations? I think it’s really important for sector to understand the why, why are you in this space of philanthropy?”

(Interview participant)

Interview participants representing culturally and racially marginalised organisations suggested that first and foremost, there needs to be an awareness and an open and honest acknowledgement of white power and privilege at various levels. This must include a degree of **inward reflection**. Only then can community empowerment through shared ownership become a priority, and changes in policies and strategies be made.

“Shifting power is trying to challenge ourselves, about decolonisation at all levels; supporting organisations in their own mission and vision, as opposed to saying, we have this strategy, we are the experts”

(Interview participant)

“There is nothing about us without us”

(Interview participant)

“People in positions of privilege need to step away and make space for others”

(Survey participant)

Two, participants noted that cultural competence training for all staff must **focus on issues such as unconscious bias and power imbalances**. Decision-making policies and organisational strategies must be equity- and diversity-focused. Overseas research points to the need for alignment between an organisation's mission and vision and its diversity and inclusion strategies in order to "build a strong foundation for developing meaningful interventions" (Power to Change, 2023, p.54).

Three, grant funders who have implemented transparency in application processes noted that this gave grant seekers an opportunity to opt in or out of working with the organisation. Hence, it is important that all organisations follow this principle.

"So, by being more transparent and saying, here are all the steps, this is what it might be like we kind of are trying, I suppose to allow organisations who might be interested in funding from us to self-select in or self-select out"

(Interview participant)

Four, to address data collection, accountability and reporting issues, the philanthropic sector can collaboratively engage with its partners in developing a **'best practice charter'** for itself, which sets out a clear and enforceable plan of action.

Five, greater transparency and disclosure around board makeup and decision-making within organisations is essential to gain the trust of partners. Similarly, changes in relation to diversity representation need to be disclosed and made transparent. There also need to be mechanisms, based on metrics and indicators, to capture the effectiveness of any changes to representation.

"Philanthropic organisations should also have to publish, you know, where their dollars have gone in terms of diversity, and equity"

(Interview participant)

"We need to see a transparent board model shared so we know what funders are looking for and whether we can align"

(Interview participant)

Summary of report recommendations

THEME	ACTIONABLE RECOMMENDATIONS
Representation in board roles and beyond	<ul style="list-style-type: none"> • Adopt inclusive practices to recruit people from different backgrounds, cultures and sectors to board, executive team and staff roles that can influence and make decisions. • Establish dedicated committees with direct access to boards to advise on diversity and inclusion matters. • Work with culturally diverse people and community representatives to find optimal solutions to increase representation. The aim is to lessen cultural load, particularly on not-for-profit organisations, while attracting people from different cultures and backgrounds.
Partnerships	<ul style="list-style-type: none"> • Start early to initiate partnership building processes, recognising commitment, trust and solidarity as key to success. • Shift towards an immersive, engaged, co-designed and collaborative process and practice and away from gatekeeping practices. • Promote the practice of participatory grant-making across organisations and the sector.
Funding and visibility	<ul style="list-style-type: none"> • Make networking and other social capital opportunities more inclusive, to encourage a wider group of people from diverse backgrounds grow their networks and increase their visibility. • Examine and be open to amending funding opportunities, grant guidelines, application processes and reporting requirements to be culturally sensitive, less cumbersome and less competition-driven. Re-frame or re-write rule books, guidelines and norms in close consultation with the partners being supported. • Embed an equity and intersectionality lens such that both issues and the people impacted by these issues are understood and equally prioritised – cultural diversity becomes the norm rather than an ‘add-on’. • Establish guidelines to collect robust baseline and other data, to build and share information about cultural diversity and the groups that come under it. • Develop a coherent and comprehensive system for collecting, sharing and monitoring key data within the philanthropic sector. • Learn lessons from other successful non-Western philanthropic funding models.
Questioning purpose, power and privilege	<ul style="list-style-type: none"> • Identify blind spots and genuinely attempt to understand how power and privilege play out in decision-making. • Establish standardised principles to embed equity-centred safe workplace culture, values, practices and policies. • Set out a plan of action to incorporate transparency, accountability and robust measurement of cultural diversity representation and granting practices. • Be an advocate for shifting culture and mindset and creating change within the sector.

Report considerations

The report must be read in the following context.

- The report findings and recommendations are primarily led by qualitative insights based on data received and analysed, complemented by descriptive quantitative data. The breadth and depth of insights evident in the data warrants thoughtful consideration by stakeholders.
- Interview participants contacted the researchers directly after hearing about the research and opportunity to participate. Those who approached and participated may not be representative of the broader sector. The scope of the research work allowed for a total of 20 interviews, which was fulfilled.
- The opportunity to participate in the survey was promoted through media, networks, social media and other mechanisms. There was a total of 101 survey responses, of which only 64 valid responses were received and included in the survey analysis. The remaining 37 responses were excluded because they were either incomplete (36) or duplicates (1).
- While there was agreement on the commitment to Indigenous representation, this was not apparent for culturally and racially marginalised groups. Both groups faced similar barriers and suggested similar solutions to change practice. Nuances have been specifically called out in the report by only referring to First Nations peoples.
- The report and its findings represent an initial investigation into the sector, which is likely to lead to further action. It is recommended that follow-up study be conducted to test report findings across a larger number of people.

Conclusion

Lack of cultural diversity in philanthropic organisations has real, although often unintended, consequences. While leadership priorities matter, representation must penetrate deeper within the organisation. Only then, can there be visible growth in cultural competence and community knowledge. It is time for the sector to come together to have difficult but necessary conversations and commit to an action plan for cultural diversity and inclusion.

This research report has examined the state of cultural diversity representation in philanthropic organisations in Australia and the experiences of grant recipients from culturally diverse organisations including barriers when applying for funding.

The four themes identified in the report, along with the set of 16 actionable recommendations, point to important and useful strategies to improve representation and funding processes – and ultimately a roadmap for shifting practice in the philanthropic sector.

Creating the right conditions in Australian philanthropy will enable progress to be made, from a place of embracing diversity to enabling and actioning genuine inclusion.



References¹¹

1. The Centre for Social Impact and Jumbunna Institute for Indigenous Education and Research (2022). *From colour blind to race conscious: Actions and priorities to increase cultural diversity in Australian philanthropy*. Sydney: UNSW.
2. Philanthropy Australia (2023). *Submission 162 Philanthropy Australia – Philanthropy Public Inquiry*. https://www.pc.gov.au/_data/assets/pdf_file/0004/359716/sub162-philanthropy.pdf
3. M. Ragg, 'The Enormous Load on Aboriginal and Torres Strait Islander Leaders', Croakey, 28 November 2019, accessed at: <https://croakey.org/the-enormous-load-on-aboriginal-and-torres-strait-islander-leaders/>
4. Victorian Government. *Understanding intersectionality*, Victoria State Government website, accessed 20 June 2023. <https://www.vic.gov.au/understanding-intersectionality> (2021).
5. Fredette, C., Bradshaw, P. and Krause, H. From Diversity to Inclusion: A Multimethod Study of Diverse Governing Groups. *Nonprofit and Voluntary Sector Quarterly*, 45, 285-515 (2021).
6. Azevedo, L., Gaynor, T. S., Shelby, K. and Santos, G. The complexity of diversity and importance for equitable philanthropy. *Nonprofit Management and Leadership*, 31, 595-607 (2021).
7. Rockefeller Philanthropy Advisors, S. *Diversity Inclusion and Effective Philanthropy*. <https://www.rit.edu/diversity/sites/rit.edu.diversity/files/documents/Diversity-Inclusion-and-Effective-Philanthropy.pdf> (2022).
8. Weisinger, J. Y., Borges-Méndez, R. and Milofsky, C. Diversity in the Nonprofit and Voluntary Sector. *Nonprofit and Voluntary Sector Quarterly*, 45, 35-275 (2016).
9. Scaife, W., McGregor-Lowndes, M., Barraket, J. and Burns, W. *Giving Australia 2016: Literature Review*. (The Australian Centre for Philanthropy and Nonprofit Studies, Queensland University of Technology, Centre for Social Impact Swinburne University of Technology and the Centre for Corporate Public Affairs., 2016).
10. Holgersson, C. and Romani, L. Tokenism Revisited: When Organizational Culture Challenges Masculine Norms, the Experience of Token Is Transformed. *European Management Review*, 17, 649-661 (2020).
11. Lingayah, S., Wrixon, K., and Hulbert, M. (2020). *Home Truths: Undoing racism and delivering real diversity in the charity sector*. Voice4Change/ACEVO. June 2020. <https://www.acevo.org.uk/reports/home-truths/>
12. Power to Change (2023). *Exploring barriers to funding and support experienced by marginalised community businesses*. Power to Change/Spark Insights/Locality. April 2023. <https://www.powertochange.org.uk/research/exploring-barriers-to-funding-and-support-experienced-by-marginalised-community-businesses/>
13. Gillies, L., York, J., and Minkiewicz, J. (2017). *Philanthropy: Towards a better practice model*. Asia Pacific Social Impact Centre, Melbourne Business School.
14. Australian Philanthropic Services (2022). *What can we learn from the 'participatory grantmaking' approach?* <https://www.australianphilanthropicservices.com.au/wp-content/uploads/2022/08/Participatory-grantmaking.pdf>
15. Social Ventures Australia and the Centre for Social Impact (2022). *Paying what it takes: funding indirect cost to create long-term impact*. Social Ventures Australia. Australia. <https://www.csi.edu.au/research/paying-what-it-takes-funding-indirect-costs-to-create-long-term-impact/>

11 References are listed in the order in which they appear in the report.

APPENDIX A: Survey respondents

Of the total of 64 respondents who completed the survey, **there were 30 (47%) grant makers and 34 (53%) grant recipients.**

Table 1 and 2 represents organisation type of grant makers and grant recipients respectively.

Table 1: Grant maker: What kind of grant maker are you representing?

	N	%
Private Ancillary Fund (PAF)	7	30
Charitable endowment or umbrella fund	6	26
Public Ancillary Fund (PuAF)	4	17
Corporate Foundation	4	17
Trustee company	1	4
Social impact bond/fund	1	4
Other	7	30
Total	30	100

Grant markers who indicated 'Other' said they were representing Foundations and Trusts.

Table 2: Grant recipient: What kind of grant recipient are you representing?

	N	%
Registered charity	25	74
Community organisation (not registered with ACNC)	4	12
Charitable trust	0	0
Government-initiated foundation	1	3
Other	4	12
Total	34	100

The four grant recipients who indicated 'Other' said they were representing mainly educational institutions and social enterprises.

Table 3: Interview breakdown (N=20)

Organisation/Participant Type		
Recipient	Funder/Peak Body	Both funder and recipient
Multicultural Not-for-Profit	Private Ancillary	Charities founder and Board Member
Multicultural Not-for-Profit	Foundation	Local City Council
Multicultural Not-for-Profit	Foundation	Community Foundation
Not-for-Profit (50% Indigenous Board, Indigenous focus)	Peak Body	
Indigenous Not-for-Profit	Foundation	
Indigenous Not-for-Profit	Private Ancillary	
Indigenous Not-for-Profit	Foundation	
Not-for-Profit (Indigenous focus)	Peak Body	
Not-for-Profit (potential Indigenous focus)		

APPENDIX B: Survey results

Table 1. Grant makers and grant recipients: How culturally diverse is your organisation (percentage, by funder and recipient, strongly agree, agree) *.

	Type of respondent	Strongly agree/ Agree	Neither agree nor disagree	Disagree/ Strongly disagree	Don't know/Not applicable
Executive team	Funder	14	5	81	0
	Recipient	60	10	30	0
Leadership	Funder	13	4	83	0
	Recipient	50	12	38	0
Paid Workforce	Funder	28	16	48	8
	Recipient	69	3	28	0
Volunteers	Funder	14	0	14	71
	Recipient	45	3	32	19
Target beneficiaries	Funder	70	26	0	4
	Recipient	81	10	6	3
Not Culturally diverse	Funder	25	25	30	20
	Recipient	15	4	58	23

*Percentages may not total 100 due to rounding

Table 2 Grant makers: Please select how much you agree or disagree with the following statements (percentage)*

	Strongly agree/ Agree	Neutral	Disagree/ Strongly disagree	Don't know/Not applicable
My organisation considers cultural diversity when providing philanthropic funding	76	24	0	0
My organisation has recruiting strategies designed to help increase cultural diversity within the organisation	36	20	20	24
My organisation has dedicated staff who are responsible for cultural diversity practice and principles	40	8	36	16
My organisation implements cultural diversity initiatives in the workplace	33	25	29	13
My organisation provides cultural diversity training to staff each calendar year	33	13	42	13
My organisation uses internal groups (e.g. cultural diversity committees, councils and advisory boards) as a way to focus on cultural diversity	32	12	44	12
My organisation's key external facing communication (e.g. vision and mission statement, annual report, strategic framework) refers to the importance of cultural diversity in work practices	28	8	52	12
My organisation has a formal (written) policy that addresses cultural diversity discrimination in the workplace	46	13	13	29
My organisation's employee attitude/satisfaction survey includes items related to organisational cultural diversity	13	17	21	50
My organisation provides funding to support culturally diverse people and communities	83	13	0	4
My organisation is funding organisations led by culturally diverse people	63	8	21	8
My organisation is funding organisations run by people from the cultural background and programs the services are supporting	71	13	8	8

*Percentages may not total 100 due to rounding

Table 3 Grant makers: Please select how much you agree or disagree with the following statements (percentage)*

	Strongly Agree/ Agree	Neither Agree nor disagree	Disagree/ Strongly disagree	Don't know/NA
The Executive Team (CEO and board of directors) and Leadership Team have had a strong impact on philanthropic funding decisions	95	5	0	0
The board has had a strong impact on philanthropic funding decisions	86	9	0	5
Diverse cultural representation is strongly reflected in the composition of the Executive Team (CEO and board of directors)	14	18	64	5
Diverse cultural representation is strongly reflected in the Leadership Team	14	18	59	9
The senior leadership team should direct more effort towards/ prioritise meeting the needs of marginalised, culturally diverse communities through philanthropic funding	45	32	18	5
The board should direct more effort towards/ prioritise addressing the needs of marginalised, culturally diverse communities through philanthropic funding	50	32	9	9
The Executive Team (CEO and board of directors) and Leadership Team should direct more effort towards funding organisations run by people from the cultural backgrounds the program/service is supporting (n=22)	59	27	5	9
The Executive Team (CEO and board of directors) and Leadership Team should direct more effort toward funding organisations run by culturally diverse people	59	36	5	0

* Percentages may not total 100 due to rounding

Table 4 Grant recipients: These questions relate to understanding barriers to receiving philanthropic funding. Please select how much you agree or disagree with the following statements: Please select how much you agree or disagree with the following statements (percentage)*

	Strongly agree/ Agree	Neutral	Disagree/ Strongly disagree	Don't know/NA
The senior leadership teams of philanthropic funding organisations have strong influence over funding decisions	71	21	0	7
The board of philanthropic funding organisations have strong influence over funding decisions	79	14	0	7
I find it challenging to navigate the processes that funders use to decide how funding is distributed	82	11	4	4
Philanthropic sector requirements such as the design and distribution of funding are barriers to receiving funding for organisations led by people from culturally diverse backgrounds	64	21	0	14
Philanthropic sector requirements such as the design and distribution of funding are barriers to receiving funding for organisations run by people from the cultural background the programs and services are supporting	68	14	0	18
Addressing the needs of communities from marginalised, culturally diverse backgrounds is at present, not prioritised in philanthropic funding commitments	54	14	25	7
Addressing the needs of communities from marginalised, culturally diverse backgrounds is at present, not prioritised in philanthropic funding eligibility criteria	54	14	18	14
I find it difficult to dedicate the resources and time required to apply and pitch to funders	61	18	18	4
I don't have much experience in preparing funding applications and sometimes don't really understand what they are looking for	21	21	64	4
I don't have the relationships with grant makers to hear about funding opportunities I might apply for	32	21	43	4
I sometimes don't apply for certain funding because the values of my organisation are incompatible with the values of the funding body	57	21	18	4
I don't have many strong relationships with funders	33	33	30	4

*Percentages may not total 100 due to rounding

