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Racial Justice in the Funding Sector: Reflecting on Progress Since 2020

In the last year, the funding sector has started to acknowledge racial disparities in society and invest in communities of colour. These are positive steps but need to be seen as the start of the journey. Long-term meaningful change requires moving beyond shifting money to shifting power and this is contingent on people of colour (POC)¹ with a track record in anti-racism leading the work with recognition and visibility.

We are a network for minoritised racial groups working in trusts and foundations to connect and drive change within the sector. We have a growing membership of over 50 people representing close to 20 funding organisations and are a platform for the voices of POC working in this space. Core to our purpose is ensuring the safety, care, healing and dignity of our members as they move through this sector.

Drawing on the wisdom of members, we issued our first statement in March 2020 setting out the urgent action needed to respond effectively to Covid-19 and to deliver radical change. Two months later, we renewed our call to action to ensure equitable funding approaches in a follow up briefing. In this situation paper, we reflect on how the funding sector has responded to racial inequality from the start of the pandemic and the Black Lives Matter movement's resurgence sparked by George Floyd's public lynching. While we celebrate some of the progress made, we also highlight problematic practices by funders and the harm these have caused staff of colour. We end with practical actions that funders should take to centre the wisdom and wellbeing of POC.

The Successes

The Covid-19 crisis amplified and deepened race inequality in the UK, while George Floyd's murder ignited the largest racial justice protests in Britain's history². These events finally compelled UK funders to address race discrimination in civil society. We saw the arrival of a number of funding programmes and initiatives dedicated to communities of colour including the Resourcing Racial Justice Fund, the Common Call Fund, the Phoenix Fund and the Global Majority Fund. Further advancement includes the formation of the Baobab Foundation and the work that the Social Innovation Consultancy and 360Giving are doing to improve data standards and accountability to organisations led by POC.

More funding is reaching organisations led by POC. Terms such as 'global majority', 'racial justice' and 'white privilege' are becoming commonplace. Improvements in data and accountability are on the horizon. But one thing that has not shifted is power. In each of the examples above, success has been contingent on the leadership of exceptional POC within the sector and in our wider communities who are committed to racial justice, and who have persisted through exacerbated trauma and hostile grant-making structures. Yet, many of these funding programmes are time-limited and represent a small percentage of the organisations' overall giving. The POC who are pivotal to these developments remain transient while white teams retain power. This fundamentally undermines the structural change required for sustained impact.

Ongoing and Emerging Problematic Practices

The testimonies of our members paint a clear picture that racism and other oppressions remain rife in the funding sector, as they do in the wider charity sector. The recent #NotJustNCVO wave has made for painful and all too familiar reading – we honour the courage of those speaking out and stand in solidarity with them.

Over the past year, we have seen a dizzying amount of performative and surface level change from funders but a persistent lack of commitment to do the deep work needed to truly transform power. Many funders have successfully developed outward facing narratives that show them to be making great progress. These carefully crafted external pieces mask the ways in which the work is controlled internally, particularly how staff of colour are exploited, excluded and harmed through the process. As well as these damaging and extractive internal dynamics, power rarely moves beyond institutions into communities of colour.

¹ In this statement, we use people/communities/staff of colour which refers to people who are not white and who share a common experience of systemic racism. These are diaspora communities that have their roots in the global south.

² https://www.huffingtonpost.co.uk/entry/black-lives-matter-petitions-protests-racial-justice_uk_5fa12dc2c5b6c588dc9561f2



Broadly, there is an assumption that POC should hold the responsibility of organisational transformation without this work being safe, their labour being recognised and visible, or there being a genuine sharing of power. This plays out in complex ways but ultimately hinders progress, harms POC and perpetuates racial inequality.

Extraction

We have witnessed extensive extractive behaviours by funders, especially of staff of colour. Many POC have been expected to advise our employers on issues of racism but been excluded from designing and manifesting the solutions. Our knowledge, wisdom and contacts are sought but our leadership is not centred. White leaders judge the value of our contributions and take back power when reflections feel uncomfortable in order to control the narrative and choose solutions they like. Some of our members are the only POC in their organisations and are expected to input into numerous conversations on racial justice. Yet when it comes to strategic decisions on the issue, they are told that they are not senior enough to participate.

Staff of colour are increasingly expected to bear our pain and trauma in order to aid colleagues' understanding but not support our healing. These processes are not managed with care and result in us being re-traumatised and exposed.

Onus on POC to Fix the Problem

We have also experienced a number of funders place disproportionate responsibility on staff of colour to lead the anti-racist and wider equity, diversity and inclusion (EDI) agendas. Some of our members have been given additional workloads without adequate time, training, or changes to pay and job titles to reflect these extra duties. The lack of support and progression for POC taking on this exhausting, highly skilled and professionally risky work at a time of deep trauma has left us vulnerable to burnout. This practice may also lead to POC being pigeonholed into anti-racist work, regardless of whether we are interested and skilled in it. This overlooks our diverse talents, abilities and aspirations. Left unchecked, this could lead to a narrowing of our career prospects and a widening of racial disparities in employment.

We continue to see too few progressive POC in leadership positions, many of whom are expected to drive racial justice work but with limited power to do so safely. Some of these leaders have been in the space for years, continually having their ideas blocked, while white colleagues misappropriate them and advance their careers on the back of this. These leaders' tireless attempts to raise issues of racism still surface such fragility, shame and discomfort among white colleagues that they shut down and block progress. These leaders often have to enlist white allies to deliver the same messages in order for them to be palatable to white teams. This has had an untold cumulative effect on these leaders' wellbeing and career progression.

Over the last twelve months, these leaders have been under immense pressure to drive their institutions' racial justice ambitions, whilst protecting junior staff of colour and staying accountable to their communities. They have been met with heavy resistance and scrutiny and been held to much higher standards than their white peers. They have prevailed against the odds but at great personal cost and we are sadly starting to see some key leaders move on.

Hiring of EDI Directors

Since 2020, there has been a proliferation of EDI roles in the trust and foundation sector. The people stepping into these roles seem to be expected to deliver transformational change in short timeframes without dedicated teams and budgets. Anti-racism is packaged into the diluted and depoliticised EDI agenda, yet staff of colour are not invited to co-design and recruit for these posts. These positions enable white leadership to place the responsibility of the uncomfortable work onto other people and avoid their own need to listen and unseat power.

There are also moves by some funders to recruit trustees of colour whilst continuing to marginalise their knowledgeable and experienced POC workforce. This has been demoralising to experience and witness and has highlighted how hierarchy intersects with racism to disempower junior POC.



Consolidation of White Power

We have observed some worrying trends that reinforce and deepen white power within philanthropy. Over the past year, there have been numerous occasions where staff of colour have pushed anti-racist work through but not been credited. White leaders have even actively claimed these achievements. Not only is this disrespectful but it masks the evidence that the success of this work is contingent on POC leading it.

White leaders have also justified their occupation of the anti-racist space by arguing that change needs to happen urgently, and that they have the power to make this happen. This shows a lack of understanding that anti-racism is an everyday practice and not merely an end destination. Equally, we have observed some funders taking no action at all under the guise that they must take *everyone* along on the journey and therefore the pace of change needs to be unacceptably slow. In both instances, the funders' conviction that they are doing the right thing distracts from the reality that these approaches reinforce the status quo.

We have also observed white leaders criticise and shame each other as a way to show that they get this work and are doing well. This comparison and posturing prevents funders from recognising that racism exists in all facets of how we work from our processes to our culture; and that transforming this relies on a practice of constant internal reflection.

Finally, we have seen white leaders capitalise on conversations that their staff of colour have had with them about racism in their organisations to build their credibility externally. They frame these conversations positively to illustrate that they have a culture of trust and openness. This manoeuvring distracts from the harm that is being vocalised and sets a low bar for what good looks like.

Our vision is that the Trust and Foundation sector is a safe, welcoming and joyful space for POC. Our members and communities should move through the sector with dignity and fulfilment; and be empowered to steward fair and equitable resourcing of our communities.

Recommendations

Here are six tangible actions that funders can take to ensure the wellbeing of staff of colour and start to work towards this vision.

1. Step aside from driving the anti-racist agenda by enabling staff of colour to determine what is needed and the role they play in the process. Trust and facilitate the solutions they determine e.g. a combination of hiring in external support with creating and formally recognising new internal roles.
2. Move beyond seeing this work just as future facing in order to identify and meet what is needed for repair now. For example, dedicated budgets and protected time for staff of colour to use for wellbeing, learning, development, training and engaging in safe spaces.
3. Ensure that staff of colour stepping up into anti-racism or EDI roles have agency and adequate resourcing to do the work e.g. capacity, upskilling. Recognise this work within their job title, description and salary.
4. Build organisational accountability performance indicators on the experience of 'inclusion' of staff of colour. Develop these in collaboration with staff of colour. Following this, work with staff and communities to determine what your wider accountability around race looks like.
5. Release your ethnicity pay gap (disaggregated by other protected characteristics), as well as data on recruitment, progression, retention and financial rewards for staff of colour.
6. Foster the conditions for healthy discourse that will lead to an ongoing process of change. This might include blocking out time for facilitated conversations on allyship, or sessions that build an organisational understanding of intersectional identities for example.



We will canvass the views of our members and other POC working in the philanthropic sector in six months to understand progress against these recommendations.

We are a growing community that welcomes new members. Any POC working in the sector interested in joining should contact us at info@futurefoundationsuk.org

Tools and Resources

Understanding Racism and White Privilege

- Coco-Net. *White Supremacy Culture in Organisations*
- Kenneth Jones and Tema Okun. *ChangeWork: White Supremacy Culture within Organisations, From Dismantling Racism: A Workbook for Social Change Groups*
- Peggy McIntosh. *White Privilege: Unpacking the Invisible Knapsack*

Anti-Racism and DEI in Philanthropy

- Adrienne Maree Brown. *An Emergent Strategy Primer for Funders*
- Catherine Lizette Gonzalez. *Decolonizing Wealth Addresses Philanthropy's White Supremacy Problem, Offers Solutions* (Article on the value of Edgar Villenueva's 'Decolonizing Wealth' book).
- The DEI Coalition - Transforming UK *Philanthropy*
- The Listening Fund. *Who Has Gained? Moving from Extractive to Equitable Listening*. (Report by Nusrat Faizullah and Farzana Khan)
- The Philanthropic Initiative. *Racial Equity Resources for Philanthropy*
- The Philanthropic Initiative for Racial Equity. *Grantmaking with a Racial Justice Lens*.
- Racial Equity Tools. *Tools, Research and Resources to Help those Working Toward Racial Equity*
- Resource Generation. *A Curated List of Free Resources*