

Handling the Discomforts of Fundraising for BIPOC Leaders

Introduction

The intersections of race, equity, and wealth disparities play a significant role in fundraising for BIPOC-led and BIPOC-serving nonprofits. Paying attention to these intersections and how they show up in the beliefs and mindsets of BIPOC leaders can help these leaders better handle the discomforts of fundraising - increasing their success and the sustainability of their nonprofits.

These intersections are not isolated from one another - they're interconnected and can create unique challenges and opportunities. For instance, the historical legacy of inequity can influence how people and communities perceive fundraising efforts, and their ability to engage with funders effectively.

Understanding these intersections also helps identify and address ways in which access to resources, networks, and opportunities might be unevenly distributed due to systemic biases. Fundraising strategies that don't acknowledge and transform these disparities can inadvertently perpetuate existing inequalities.

*“Best practices when building healthy relationships with funders, donors, clients, etc: **understand your feelings about money.** What are you comfortable with? What are the money conversations that trigger you? Budgets are moral documents. Look at your budget and look at your values and see if they align.” – Courtney Harge, CEO, Of/By/For All*

*“I am really good at writing grants, and I have gotten a lot of money. Asking for money in writing in an email. I can do that. Tomorrow night is our gala. And I will have to speak out loud and ask them for money. And I am incredibly uncomfortable with this. I am great sending emails and text messages and all kinds of things. And I'm good at telling a story, about clients that are in trouble. But not when it comes to closing the deal and saying, I need you to give me \$50,000 like now. And money in my family was never talked about. That was a family secret whether we had and when we didn't have. And I think maybe that is part of why I have a hard time asking verbally for money.”
– A successful nonprofit leader*

Five Intersecting Factors

Five intersecting factors influence fundraising by BIPOC nonprofit executives and board members:

- **Risk tolerance**
- **Family traditions**
- **Acculturation**
- **Educational background**
- **Sociopolitical context**

These factors are critical in shaping how individuals, particularly BIPOC leaders, approach fundraising and relationship-building with all types of funders – foundations, government agencies, corporations and individual donors.

Risk tolerance refers to an individual's comfort level for taking financial risks, such as making direct asks for funding. Different families, cultures and communities have varying degrees of risk tolerance. For instance, some leaders might find it challenging to directly ask for funds due to cultural values that discourage self-promotion. Historical and cultural experiences can influence how comfortable someone is in making a direct ask for funding.

Family traditions also play a significant role. In certain cultures, the concept of collective wellbeing is paramount. This can translate to nonprofit leaders emphasizing impact on the community rather than on their own organization. For example, a nonprofit leader from a community-oriented culture might focus on the positive change their organization can bring to the community rather than on the success of the organization, even though organizational successes may be helpful in winning funding.

Family norms around money and philanthropy can vary widely between families. A nonprofit leader from a family with a strong culture of giving might find it easier to discuss fundraising compared to someone from a family where discussing money was considered taboo. As one BIPOC nonprofit leader put it: *“In my family growing up and now, we don't like to talk about specifics or details about money. But now I learn from people who are “good” with their money - who have lots of it. I like to observe people who are generous, what makes them tick, and why they give or what makes them give.”*

Acculturation, or the process of adapting to a new cultural environment, can also play a role. Nonprofit leaders who have immigrated from diverse cultural backgrounds may need to navigate the balance between their cultural values and fundraising expectations in their new context. A recent immigrant might need time to understand and adapt to the fundraising norms of their new country.

Educational background can also shape fundraising approaches. Individuals with different educational backgrounds might approach fundraising conversations differently. For instance, someone with a background in business might be more comfortable discussing financial aspects

of their nonprofit, while someone with a humanities background might emphasize storytelling and individual or community impact.

Finally, there is **sociopolitical context**. We live in a world shaped by societal norms, economic trends, and political climates. These factors impact how nonprofits are perceived and funded. Being aware of these contextual factors is crucial for effective fundraising.

For example, during times of economic uncertainty, individuals might be more hesitant to donate, affecting fundraising efforts. BIPOC leaders coming from backgrounds of poverty may also be more reluctant to ask donors for gifts – especially large gifts - when the times are tough.

Some BIPOC nonprofit leaders may be more comfortable telling stories from their lived experience, but this may need some adjusting if a funder requires evidence of objective impact to fulfill expectations. Also, client impact may be easier to measure than broader community impact, but some funders are committed to the latter as evidence of success. Understanding these factors helps BIPOC leaders appreciate the complexity of nonprofit fundraising. By acknowledging these influences, nonprofit leaders can tailor their fundraising strategies to be more culturally sensitive and effective.

Challenges Faced by BIPOC Nonprofit Leaders

The complexities of fundraising for nonprofits include six challenges that face all nonprofit leaders, but especially BIPOC nonprofit executives or board members:

- **Visibility and recognition**
- **Representation and authenticity**
- **Navigating biases**
- **Access to networks and resources**
- **Funding instability**
- **Addressing systemic inequities**

While fundraising challenges are not exclusive to any particular group, they can take on different dimensions for BIPOC leaders due to the intersections of race, equity, and wealth disparities. These challenges can impact nonprofits at various stages of development and across different aspects of fundraising.

One common challenge is the struggle to gain **visibility and recognition**. BIPOC-led nonprofits might face barriers in gaining attention from funders and donors, as they may not fit into mainstream narratives or expectations.

Another key challenge is **representation and authenticity**. BIPOC-led nonprofits often find themselves in a balancing act—showcasing their cultural identity while avoiding tokenization (where organizations are valued solely for their cultural representation rather than the substance of their work). This can be disheartening and prevent genuine engagement with

potential supporters. This challenge underscores the importance of BIPOC leaders being seen for the genuine impact they make rather than just their cultural identity.

Navigating biases also is a likely challenge for BIPOC nonprofit leaders, who may have to address stereotypes or assumptions about them that potential funders might hold. This can create additional hurdles when building relationships and seeking support. Nonprofit leaders may find themselves having to educate potential funders about the specific needs of their communities. Funders and nonprofit leaders may not have the same assumptions, values and historical references, which can add to the educational effort. This extra effort can divert resources and time away from the core mission. Providing a framework for both formal and informal communications on biases can be worth the investment.

BIPOC-led nonprofits might not have good access to networks and resources that can open doors to funding opportunities, collaborations, and mentorship. This lack of access can impact their growth and sustainability.

BIPOC-led nonprofits often grapple with limited resources and unpredictable funding streams. The resulting **funding instability** can hinder their ability to plan and execute long-term strategies.

Funds may be particularly hard to obtain for a nonprofit's diversity, equity, inclusion and anti-racism (DEIA) activities, both those within the nonprofit workplace and those in the communities they serve. These DEIA activities require resources to be successful, and often the only way to get them fully funded is to advocate for financial support with a nonprofit's board or in some cases directly with funders.

Finally, there is the challenge of **addressing systemic inequities** while seeking funding. BIPOC-led and BIPOC-serving organizations often have a mission to address the very disparities they experience, which can be challenging to communicate to funders who may not fully grasp the deep impact of these issues.

Addressing these challenges requires not only resilience but also a deeper understanding of the systemic factors at play. The intersections discussed earlier can compound these challenges, making it crucial to adopt strategies that are tailored to these specific contexts.

Acknowledging and addressing these challenges is crucial for creating a more equitable fundraising landscape. It requires a multi-faceted approach that involves not only the nonprofit but also their funders and the wider philanthropic community.

The goal in discussing these challenges is not to dwell on difficulties but to shine a light on areas that need more attention. By understanding these challenges, BIPOC nonprofit leaders can develop strategies to navigate them effectively and drive meaningful change.

By acknowledging these challenges and discussing them directly, the aim is to open a safe space for reflection and learning. The tools and insights presented here can help overcome these obstacles and pave the way for more effective and sustainable fundraising efforts.

Thoughts for Funders

- *The focus of this publication is on BIPOC leaders of nonprofits. As opportunities present themselves, these leaders can encourage their funders - foundations, government agencies, corporations, and individual donors – to support the strategies and solutions presented here, including specific actions they can take as funders:*
- *Fund capacity building for nonprofits with leaders of color, such as through enhancing the fundraising infrastructure (support staff, donor software, etc.), and through educational courses on fundraising for these leaders, who may come into their positions as an executive or board member without any background besides their own experiences.*
- *Create leadership development programs to offer to leaders of color that are focused on fundraising and overcoming its discomforts (the Ralph M. Parsons Foundation has a fellowship program that offers a variety of training experiences to leaders of color).*
- *Provide mentoring opportunities for BIPOC leader to learn from funders – and for funders to learn from BIPOC leaders.*
- *Offer general operating support or endowment funds that nonprofits can use to internally create supports on fundraising for BIPOC leaders.*
- *Support and endorse networking groups that bring together BIPOC nonprofit leaders to support and educate each other on a peer-to-peer basis – separate groups might be created for nonprofit executives and for board members.*
- *Build social capital associated with fundraising and BIPOC nonprofit leaders, for instance through bringing in regional or national leaders in this space to present to the local nonprofit community, either online or in person.*
- *Through Southern California Grantmakers and other groups, bring in regional and national leaders from the philanthropic community to present on this topic to local grantmakers.*
- *Create an advisory board or conduct focus groups to get input about each stage of the funding process to identify strengths and risks to equity.*
- *Look at the grantmaking process through a DEIA lens and make changes to create a more equitable procedure in how funds are distributed.*

Since 2019, CSUN Valley Nonprofit Resources has provided education and technical assistance on Diversity, Equity, Inclusion and Anti-Racism (DEIA) policies and programs of nonprofits in the San Fernando Valley. In 2022 this work moved into the evaluation, accountability, and sustainability space, including a publication summarizing principles and best practices on this

complex topic. This publication extends VNR's work into fundraising and comfort-building strategies for BIPOC nonprofit leaders. CSUN Professor Allen Lipscomb and State Farm Insurance executive Samona Caldwell have helped shape this work, along with many Valley nonprofit leaders who have participated in VNR's workshops and TA. This work has been partially supported by The California Wellness Foundation and the California Community Foundation. This publication was developed by Alejandra Acuña, PhD; Wi-Moto Nyoka; and Thomas E. Backer, PhD. More information and access to VNR publications on this topic are [available on the VNR website.](#)