

ANNUAL REPORT TO CONGRESS  
JULY 21, 2011

# Developing our human capital

Recruitment and Retention Plan

Training and Workforce Development Plan

Workforce Flexibilities Plan



Consumer Financial  
Protection Bureau

## MISSION

The Consumer Financial Protection Bureau (CFPB) is a **21st century agency** that helps consumer financial markets work by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives.

## MISSION

The CFPB will achieve its mission through:

- *data-driven analysis*
- *innovative use of technology*
- *valuing the best people and great teamwork*

A consumer finance market place:

...where **customers** can see prices and risks up front and where they can easily make product comparisons;

...in which **no one** can build a business model around unfair, deceptive, or abusive practices;

...that works for **American consumers**, responsible providers, and the economy as a whole.

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# Introduction

## PURPOSE OF THIS REPORT

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) requires the Consumer Financial Protection Bureau (CFPB) to submit this report annually to Congress with its:

1. Recruitment and Retention Plan
2. Training and Workforce Development Plan
3. Workforce Flexibilities Plan

The plans presented in this report represent the CFPB's current goals for recruitment and retention, training and workforce development, and workforce flexibilities. The CFPB will use these plans to assure an orderly and organized startup, attract and retain a qualified workforce, and establish comprehensive employee training and benefits programs.

## ESTABLISHMENT OF THE CONSUMER FINANCIAL PROTECTION BUREAU

One of the key elements of the Dodd-Frank Act is the creation of a new financial regulatory agency, the CFPB, which centralizes consumer protection authorities scattered throughout the government and increases accountability for the supervision and enforcement of laws governing consumer financial products and services. Specifically, the agency is tasked with protecting consumers from unfair, deceptive, and abusive financial practices by making the markets for consumer financial products and services work for American families.

The Dodd-Frank Act created the CFPB as an independent bureau within the Federal Reserve System. Title X of the Dodd-Frank Act established the following goals for the CFPB:

- ensure that consumers have timely and understandable information to make responsible decisions about financial transactions;
- protect consumers from unfair, deceptive, or abusive acts or practices, and from discrimination;
- reduce outdated, unnecessary, or overly burdensome regulations;

Section 1067 of the Dodd-Frank Wall Street Reform and Consumer Protection Act requires that:

"The Bureau shall submit an annual report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives that includes" a Recruitment and Retention Plan, a Training and Workforce Development Plan, and a Workplace Flexibilities Plan.

- promote fair competition by enforcing the federal consumer financial laws consistently; and
- encourage markets for consumer financial products and services that operate transparently and efficiently to facilitate access and innovation.

Under the Dodd-Frank Act, the Secretary of the Treasury is responsible for standing up the CFPB until a Director of the Bureau is in place.

Recognizing this unique and vital opportunity to create an organization with an innovative infrastructure, CFPB leadership articulated a mission and vision and began establishing the infrastructure, tools, and processes to attract, hire, develop, and retain the human capital needed to build an agency responsible for protecting consumers of financial products and services. The tools needed by the CFPB to begin hiring, compensating, and managing employees using the CFPB's own statutory authorities under the Dodd-Frank Act were put in place and became operational in February 2011.

### **CFPB STAND-UP**

The CFPB has currently filled more than 20 of its key leadership positions with highly talented and experienced staff from the private, nonprofit, and public sectors. In addition, the CFPB has made considerable progress in recruiting, hiring, and orienting the workforce required for stand-up.

The CFPB's recruitment efforts have focused on filling vacancies throughout the country in support of its headquarters operations in Washington, D.C., and its regional satellite offices in Chicago, New York City, and San Francisco.

In addition, to ensure the successful stand-up of the Bureau, CFPB staff conducted reviews of "best practices" and "lessons learned" from the merger and stand-up of other federal agencies. The team also solicited input on stand-up needs and issues from other governmental agencies, private corporations, and the public. As a result of this process, staff used the following principles to guide the development and implementation of the CFPB's organizational and human capital strategies:

- Focus on the CFPB's core principles and priorities to guide the organizational design and stand-up.
- Establish clear implementation goals and timelines that build momentum and demonstrate progress.
- Establish and implement a communication strategy to create shared expectations and report progress.
- Build a "learning organization" that provides for the continuing development and advancement of the Bureau.

The CFPB has also implemented an initial workforce design strategy that identifies the human capital assets necessary to accomplish the CFPB's mission in line with the CFPB's vision and core organizational principles and priorities. This strategy has served to guide recruiting efforts to date and continues to serve as the CFPB's long-range workforce vision.

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## THE CFPB'S CORE ORGANIZATIONAL PRINCIPLES AND PRIORITIES

**Engage** the American public.

**Ensure** that federal consumer financial laws are administered consistently, efficiently, and effectively.

**Help** create a level playing field for community banks and credit unions to compete with large banks and non-depository financial companies.

**Make** the CFPB a data-driven agency by ensuring research and market analysis are at the core of all of its work.

**Advance** financial education opportunities for all Americans.

**Continue** an open and candid dialogue with Members of Congress.

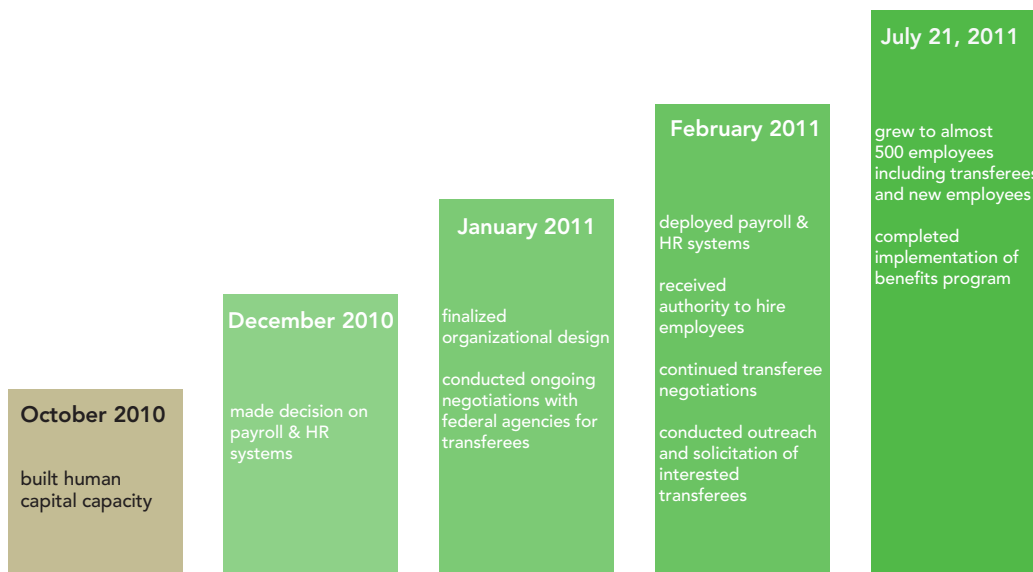
**Strengthen** accountability within the CFPB.

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## HUMAN CAPITAL IMPLEMENTATION

The CFPB's Chief Human Capital Office (CHCO) and its predecessor, the CFPB Human Capital Implementation Team, have been actively engaged in the formation of CFPB and the ongoing design, development, and execution of a human capital strategy for stand-up and long-term development of the Bureau.

To begin to fulfill its mandate, the Human Capital Implementation Team initiated four immediate human capital tasks: (1) design and implement a payroll and hiring system; (2) conduct organization design and workforce strategy development; (3) pursue transfer agreements with other federal agencies currently performing consumer protection functions; and (4) staff up the agency's critical leadership positions and core functions.





## **DESIGN AND IMPLEMENT A PAYROLL AND HIRING SYSTEM**

The Dodd-Frank Act did not give the CFPB direct-hire authority and the CFPB was required to implement its own payroll and hiring system in order to begin hiring regulatory and compliance expertise – either from competitive hires or from transfer agencies. The CFPB launched a series of discussions and negotiations with the Federal Reserve System and with federal providers of payroll and HR systems. The CFPB ultimately decided to implement an independent payroll and HR automated system separate from the systems used by the Federal Reserve.

Under the Dodd-Frank Act, the CFPB must establish a compensation program that provides compensation and benefits that are comparable to the compensation and benefits being provided by the Board of Governors for the corresponding class of employees. All such compensation and benefits must be based on the terms and conditions set forth in the Federal Reserve Act. Accordingly, the CFPB undertook a complete compensation and classification analysis and developed a market-based classification and compensation system that supports its strategy of building a highly skilled, flexible, high-performing workforce and that attracts both individuals from outside of government as well as employees from the agencies transferring functions to the Bureau, among others.

Additionally, the CFPB has developed its own benefits program and implemented it on July 17, 2011. Pursuant to the Dodd-Frank Act, the CFPB has collaborated with the six transferring agencies to establish procedures and systems that allow for employees transferring into the CFPB to retain appropriate benefits provided to them by their prior agency for a one-year period and to reimburse those agencies as required by the Dodd-Frank Act. The six agencies are the Department of Housing and Urban Development, Office of Thrift Supervision, Office of the Comptroller of the Currency, National Credit Union Administration, Federal Deposit Insurance Corporation, and the Federal Reserve Board of Governors and Federal Reserve System Banks.

## **CONDUCT ORGANIZATION DESIGN AND WORKFORCE STRATEGY DEVELOPMENT**

The CFPB needed to define its organizational and workforce requirements to begin properly targeted recruitment efforts and transfer negotiations. The Bureau established its basic organizational and leadership structure, including its key organizational components. The CFPB focused initially on building its leadership team. As that team was formed and leaders were in place, Bureau staff engaged in a more detailed effort to define the larger organizational strategy, including the identification of key functions, strategies, processes, resource plans, and position requirements. The CHCO then launched a Bureau-wide job analysis that is nearing completion and which defines each position in the organization, including a current position description, skill and competency requirements for the position, and the appropriate position level.

A key element of this process was negotiating with agencies to arrange for the transfer of employees performing consumer financial protection functions that would transfer to the CFPB under the Dodd-Frank Act. Negotiations were conducted with the six transferring agencies to clearly define the functions being transferred, identify the resources associated with those functions, and resolve the policy and logistical issues related to employee transfer. More than 1,300 people from the transferring agencies expressed interest in the CFPB. To date, approximately 200 have accepted offers and the majority of our final transferees will be identified and on board by the middle of August.

Plans for recruiting new employees, in addition to transferees, were also developed and negotiations began with the U.S. Office of Personnel Management to clarify appointing authorities so that recruiting could proceed effectively and efficiently. As job analysis efforts were completed, recruiting and hiring efforts followed. As part of that effort, CHCO developed and implemented a number of employment policies which guide its activities. The CFPB's website at [ConsumerFinance.gov](http://ConsumerFinance.gov) has included competitive job announcements that are linked to USAJOBS for applicants from all over the United States.

As new employees were hired, CHCO focused on strategies for orienting and engaging this new workforce. A comprehensive on-boarding program has been developed along with a program of initial orientation and core skills training. In addition, a comprehensive examination and consumer response training program is in place for new and transferring staff.

Despite the human capital management successes achieved, substantial challenges lay ahead. For example, the CFPB leadership team and CHCO will continue to focus on the following in the near future: conduct periodic and systematic reviews of CFPB's organizational and staffing structure to address evolving needs and lessons learned and ensure the most effective and efficient use of resources to accomplish the agency's mission; acculturate the new and growing workforce to the CFPB's mission and priorities; continue to build and implement a strategic approach to training and workforce development; design and implement a performance management system; create a career framework and career development program that identifies career paths and necessary competencies needed for advancement for all employees; create a management and leadership development program that identifies and prepares individuals to succeed in key positions; identify and implement additional workforce flexibility programs that further help to attract and retain a highly qualified and diverse workforce; and further develop and implement a communications strategy to share key human capital policies and programs with employees.

The CHCO will continue to partner with CFPB leadership and management to address current and emerging human capital needs.

## ONGOING HUMAN CAPITAL PLANNING PROCESS

During the past few months, CFPB leadership has focused intently on the many requirements and issues associated with launching a new federal agency and building the workforce necessary to successfully accomplish the CFPB's new, critical public mission. Over the coming year, the CFPB will transition from this startup phase to a focus on longer-term, strategic development of its organization and workforce. During the next year, the CFPB will actively manage and improve upon these plans, using the following strategies:

- Refine goals and planned actions as the workforce comes on board, mission activities expand, and new needs and issues are identified.
- Define metrics and indicators for monitoring progress in achieving the human capital goals identified.
- Collect and analyze human capital data relevant to these metrics in order to understand the impact of initiatives and identify where adjustments are needed.
- Engage managers and employees in reacting to human capital data and helping further refine plans to ensure the CFPB is building and implementing a successful organization.
- Continue to report to the Congress annually on progress made and refinements needed to human capital plans.
- Integrate these plans into a complete Strategic Human Capital Plan and Human Capital Accountability Report for submission to the U.S. Office of Personnel Management (OPM).

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## HUMAN CAPITAL KEY ACCOMPLISHMENTS

**Designed** CFPB organization and developed comprehensive job analysis.

**Developed** compensation program, including job evaluation and classification system.

**Acquired** HR and payroll systems and services.

**Developed** benefits policies and negotiated for provision of benefits services.

**Negotiated** employee transfers with related agencies.

**Launched** on-boarding and orientation training to engage new staff.

**Provided** comprehensive examination and consumer response training.

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# Recruitment and Retention Plan

## SUMMARY

As discussed previously, one of the key challenges the CFPB has confronted in building the Bureau has been to identify and recruit the best qualified people to meet its immediate staffing needs. The Bureau has made significant strides by transferring or hiring approximately 500 personnel by August 1, 2011. As detailed below, this progress has been accomplished by taking many concurrent steps in the areas of policy development, recruitment activities, development of metrics, and on-boarding these many new employees, all within very compressed time frames. The Bureau recognizes that it will continue to face recruitment and retention challenges, some of which have already emerged and are discussed below. This plan documents the recruitment and retention accomplishments to date, and describes our plans to deal with the ongoing challenges.

The many strategies and actions detailed below have all been undertaken within the framework of the CFPB's vision and goals for recruiting and retaining a highly qualified workforce.

"The Bureau shall submit a recruitment and retention plan that includes, to the extent practicable, provisions relating to—

- (i) the steps necessary to target highly qualified applicant pools with diverse backgrounds;
- (ii) streamlined employment application processes;
- (iii) the provision of timely notification of the status of employment applications to applicants; and
- (iv) the collection of information to measure indicators of hiring effectiveness."

*Dodd-Frank Act, Section 1067(b)(2)(C)*

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## VISION AND GOALS

**Talent and skills:** the CFPB will have a workforce that has the talent and skills to successfully accomplish the agency's mission and programmatic objectives.

**Diversity:** the CFPB's workforce will include employees of diverse backgrounds representative of the consumers and clients it serves.

**Retention** The CFPB will build an organizational culture that attracts and retains employees committed to its service mission.

**Process efficiency** The CFPB will use recruiting and hiring processes and technologies that lead to reduced time-to-hire and conserve administrative resources.

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## ACCOMPLISHMENTS TO DATE

The CFPB has been able to achieve success toward meeting its recruitment and retention goals by moving concurrently on many fronts.

Of primary importance in moving forward with recruitment actions was to create a policy framework in which to develop and operate special recruitment programs.

To that end, the Bureau took the following actions:

- conducted targeted recruitment and outreach which included outreach to diversity sources and stakeholders;
- developed policies for the recruitment and selection of individuals both under Title V and under the “waiver provisions” outlined in Section 1013 of the Dodd-Frank Act;
- developed and implemented compensation and benefits programs that met the requirements of the Dodd-Frank Act that such programs be comparable to those of certain financial regulatory agencies;
- between January 2011 and May 2011, negotiated and received approval from OPM to obtain delegated authority for the waiver of dual compensation for reemployed annuitants for key positions;
- negotiated and received limited Schedule A excepted service appointment authority for use prior to assignment of human capital authority to CFPB effective February 12, 2011. This Schedule A authority provided CFPB with a very short-term flexibility for the recruitment and placement of staff;
- developed recruitment and relocation policies which enable managers and supervisors to provide additional financial incentives to highly qualified individuals with critical skills and competencies or who are in hard-to-fill occupations; and
- developed the CFPB Fellowship Program to recruit exceptionally talented individuals with diverse professional experiences. The contributions of CFPB Fellows will include in-depth reviews and development of policies and programs involving consumer financial activities and corporate practices; development and direction of congressionally mandated interagency or CFPB initiatives; studies of financial institution laws, regulations, and markets; analysis and development of complex legislative proposals; and research and policy recommendations. Fellowship appointments are made for a period of up to four years.

At the same time that the CFPB was developing its policy framework, it was moving forward with many specific tactical actions intended to establish the mechanism for recruiting staff and processing their applications.

In doing so, the CFPB was mindful of the legislative mandate to utilize streamlined hiring procedures and to notify applicants of their status in a timely fashion. In this regard, the CFPB took the following actions:

- established interagency agreements to use Treasury and OPM systems to announce vacancies through the USAJOBS portal;
- created templates for vacancy announcements and marketing statements for key staff;
- negotiated for the services of the Treasury Department’s Bureau of Public Debt (BPD) Administrative Resource Center. BPD is a shared service center that assists the CFPB by posting job opportunity announcements, rating applications, and preparing certificates of eligible candidates. In contracting for these services, the CFPB ensured that its employment application process is efficient and streamlined, and provides an applicant “dashboard.” Specifically, individuals can easily apply for the CFPB’s vacancies at USAJOBS.gov and view online the status of their applications at key “touch points” during the hiring process including whether they meet basic qualifications, are referred to the selecting official, etc.;
- established and implemented a centralized recruitment and outreach process for the identification, recruitment, interviewing, and selection of individuals from the private and public sectors (including transferees from other regulatory agencies) for the CFPB’s mission-critical Examiner and Consumer Response positions. Successfully attracted and negotiated the transfer of highly-skilled employees from other Federal agencies who are transferring functions to the CFPB under the Dodd-Frank Act.
  - » negotiated and implemented memoranda of understanding (MOUs) with the Department of Housing and Urban Development, Federal Deposit Insurance Corporation, Federal Reserve System, National Credit Union Administration, Office of the Comptroller of the Currency, and the Office of Thrift Supervision, to transfer employees to the CFPB between July and October 2011. These MOUs include processes and procedures for managing transferrable benefits under the Dodd-Frank Act.
  - » held Town Hall meetings with transferring employees to address questions and ensure successful transition to the CFPB.
- while developing the policy framework and starting recruitment and processing activities, the CFPB was also developing a comprehensive set of metrics to measure hiring effectiveness. The CFPB developed weekly hiring metrics and a dashboard to assess the status and timeliness of its overall recruitment strategy. The weekly hiring reports provide valuable information, including:
  - » status of each competitive and noncompetitive recruitment action;
  - » number of days to complete each part of the end-to-end hiring cycle;
  - » number of certificates resulting in a hire;
  - » number of job offers accepted; and
  - » number of individuals who have entered on duty.

Despite the manual recruitment activity of the past few months necessary to stand up the new agency, the CFPB’s average hiring time is less than OPM’s model 45-day hiring goal.

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## RECRUITMENT AND RETENTION KEY ACCOMPLISHMENTS

**Developed** hiring policy framework.

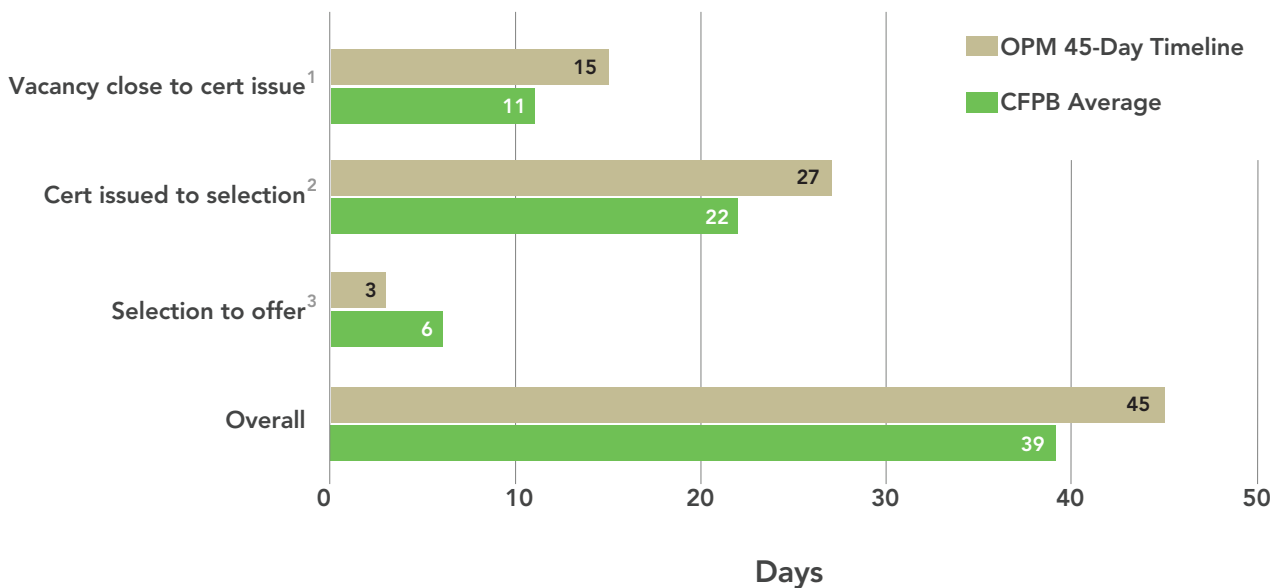
**Obtained** OPM approval for key hiring authorities.

**Established** systems for job announcements and candidate screening.

**Developed** MOUs for inter-agency transfers, and surpassed hiring timelines.

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### CFPB comparison to OPM 45-day hiring timeline



1: Equates to steps 1-3 of OPM 45-day timeline (screen applicants, rate applicants, rank applicants/deliver certs).

2: Equates to steps 4-7 of OPM 45-day timeline (review applications, conduct interviews, check references, make Selection).

3: Equates to step 8 of OPM 45-day timeline (extend job offers).

Concurrent with the policymaking and recruitment activities, the CFPB also developed an innovative and comprehensive new employee on-boarding program to ensure that all new CFPB employees understand the agency's mission and policies, and can more easily become engaged in the organization's culture. This program includes:

- a one-day orientation session combining critical information about the CFPB's mission and organization, employee benefits, and policies with opportunities to network and practice what it means to embody a culture of values and growth;
- a "New Hire Ambassador" program in which current employees volunteer to partner with new employees to impart knowledge and enthusiasm about the CFPB's mission, values culture, and people; and
- extensive "Welcome" package with information about the CFPB, Federal employment, and other topics relevant to new hires provided prior to entry-on-duty.

## **FUTURE ACTION ITEMS**

While the CFPB is proud of all these accomplishments and the success its been able to achieve in the recruitment efforts to date, there will be many challenges ahead, including:

- Maintain the pace of the CFPB's recruitment strategies in order to hire the talented and diverse staff for the remaining positions needed to fulfill our responsibilities under the Dodd-Frank Act.
- Acquire highly advanced skills in a number of specialized financial, statistical, legal, and business areas. Recruiting efforts to date have focused on building the core organizational leadership and infrastructure necessary to stand up the CFPB and begin operations. Longer-term recruiting efforts need to focus on acquiring the many specialized competencies necessary to fully round out the workforce and position the organization for success.
- Increase focus on diversity and retention. To date, the CFPB has had to quickly recruit a highly specialized core staff to stand up the organization. The plan is to increase attention on the development and implementation of sound, effective retention strategies that sustain a stable, high-performing workforce. In these early days the CFPB has emphasized the need to quickly build an agile, flexible workforce and fill many key positions with employees that have been committed to the success of the startup process, but whose career plans might take them elsewhere besides the CFPB once that startup process is complete. As the CFPB moves beyond the initial stand-up phase and its organization and its business processes mature, it is possible that retention issues will arise.



Accordingly, during the next year, the CFPB will:

- Develop a long-term Recruitment Plan that:
  - » addresses staffing needs to fill emerging and anticipated gaps in critical skills and competencies;
  - » establishes performance indicators for success; and
  - » engages senior managers directly in planning and conducting recruitment initiatives.
- In coordination with the CFPB's Office of Women and Minority Inclusion, prepare the CFPB Diversity Plan with strategies and objectives for hiring and retaining staff in underrepresented groups in the workforce. The Diversity Plan will include:
  - » development of workforce profiles with comparisons to the Civilian Labor Force at all levels of the CFPB;
  - » examination of underrepresentation in mission-critical occupations;
  - » development of methods for eliminating barriers to fair and equal entry into and upward movement within those occupations;
  - » development of detailed strategies for outreach efforts; and
  - » identification of opportunities to collaborate with organizations that focus on servicemembers and their spouses in order to attract and hire veterans and military spouses into the CFPB.

In addition, as the CFPB continues to grow its workforce, it will further enhance its recruitment and retention endeavors by:

- developing innovative hiring and outreach programs to attract talented and skilled candidates from diverse backgrounds; and
- building a culture and brand of "Best Place to Serve" that will enable the CFPB to recruit and retain employees drawn and committed to public service.

# Training and Workforce Development Plan

This section presents the CFPB's current and future strategies for training and workforce development, as required by Section 1067 of the Dodd-Frank Act. The vision and goals for training and developing the CFPB workforce that have been independently developed by the CFPB's senior leadership are entirely consistent with the statute's requirements. The CFPB clearly recognizes the need to identify the technical skill and expertise needed by the workforce and to develop strong leadership development and succession plans. This plan documents vision and goals in regard to training and workforce development, the issues that have emerged in this area, our accomplishments to date, and our plans to deal with these emerging challenges and meet the Dodd-Frank Act requirements.

The CFPB's goal is to be a learning organization – one that continuously adapts to its emerging mission, and discovers innovative strategies and business processes for accomplishing its mission goals as efficiently and effectively as possible. The CFPB's intention is for its workforce development initiatives to be a key contributing factor toward its goal of becoming the model agency for educating its staff on consumer finance concepts and responsibilities. The CHCO and the CFPB's Office of Financial Education will collaborate on the establishment of this model program. Upon development and evaluation, the CFPB intends to make its educational efforts available to other federal agencies and to the American consumer. To become a learning organization, the CFPB will actively facilitate and support the learning of its employees and engage those employees in the continuous transformation of the Bureau.

To achieve this vision, the CFPB has established the following Training and Workforce Development Goals:

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**Build** world-class expertise in the technical and technology competencies essential to the CFPB's mission. These include, but are not limited to, competencies related to financial and statistical data analyses, effective use of information technology, bank and non-bank examination, financial education and outreach, litigation, business operations, research, law, and administrative support.

**Develop** a leadership culture that aligns with the CFPB's mission and core organizational values; ensure effective development of the leadership skills required by that culture; and prepare for the succession of leadership talent.

**Grow** the business, administrative, leadership, and ethical skills and capabilities needed up and down the management chain to ensure successful mission accomplishment and sound management practices.

"The Bureau shall submit a training and workforce development plan that includes, to the extent practicable—

- (i) Identification of skill and technical expertise needs and actions taken to meet those requirements;
- (ii) Steps taken to foster innovation and creativity;
- (iii) Leadership development and succession planning; and
- (iv) Effective use of technology by employees."

*Dodd-Frank Act, Section 1067(b)(2)(A)*

**Ensure** the nationwide CFPB workforce has a strong organizational identity, is committed to the CFPB mission and strategic objectives, and displays the principles and values central to the CFPB culture.

**Develop** the core skills and attributes needed across the workforce to foster innovation and creativity in pursuit of the CFPB's mission and goals, encourage the effective use of technology in business processes, and ensure a cohesive and collaborative organizational culture.

**Establish** career maps and related policies that will provide all employees with the opportunities to move, as appropriate, across and within occupations in order to maximize their contributions to mission accomplishment based on personal commitment to developmental opportunities and to exceptional performance.

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## EMERGING ISSUES

As discussed in Section 1 of this report, the CFPB mission, vision, and core organizational principles and priorities demand a skilled and talented workforce supported by robust training and development programs. Even at this early stage of the CFPB's stand-up, a number of critical workforce training and development needs have emerged, apart from those normally evident in any Federal organization. These include the following:

- Provide supervision and consumer response activities at stand-up, which requires immediate focus on bank examination and consumer response staff development.
- Meld the diverse the CFPB staff that has been assembled from various organizational cultures and varying career experiences into a team with a cohesive organizational culture. The CFPB is aware that the Government Accountability Office has found this to be a major point of failure in other mergers of federal agencies and we are committed to creating and deploying a concerted change management effort to effectively meld diverse organizational cultures into "one CFPB."
- Devise and implement a comprehensive and integrated approach to the development of the workforce, due to the complexity of the CFPB's mission and program objectives.

This approach must consider both current needs and gaps in the workforce's critical technical and cross-cutting competencies, as well as future needs as the CFPB grows and evolves.

- Maintain and strengthen senior leadership capacity and continuity. Strong leadership has been especially critical to guiding and directing the development and stand up of the CFPB. As the Bureau continues to implement the new organizational structure and functions, senior leadership will be even more pivotal to its success.
- Establish a strong culture and a strong organizational identity in light of the many workforce flexibilities and minimal leased-space footprint, both of which will contribute to limited daily contact among its workforce. Unlike other Federal

agencies, the CFPB intends to be at the forefront of providing workforce flexibilities, including assigning “home” as the duty station for a large percentage of its workforce. In addition, the CFPB will be maintaining a minimal footprint in regard to permanent or leased office space. Both of these elements will serve to limit the type of daily contact with others in the organization that is more typical in traditional organizations. As a result, the CFPB will have a more significant need than most other federal organizations to inculcate its staff with its mission, vision, and strategic objectives, as well as establish a strong culture and a strong organizational identity for the entire workforce, particularly for those who will have limited daily contact in the traditional office environment.

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## TRAINING AND WORKFORCE DEVELOPMENT KEY ACCOMPLISHMENTS

**Completed** job analysis of core occupations

**Created** comprehensive on-boarding program.

**Established** intense training programs for Examiner and Consumer Response employees.

**Arranged** for use of Treasury learning management system.

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## ACCOMPLISHMENTS TO DATE

The CFPB has made steady progress in carrying out this Training and Workforce Development Plan, and in fulfilling its goals of building a highly skilled and innovative workforce and of ensuring leadership capacity.

The CFPB has simultaneously focused on setting general strategies for workforce development, and on specific training needs, both agency-wide and occupation-specific. As for developing general workforce development strategies, the CFPB has:

- conducted an extensive assessment of the workforce skills and core competencies required to stand up the CFPB and accomplish its immediate and long-term programmatic objectives.
- completed comprehensive job analyses of core occupations to develop over 300 position descriptions encompassing approximately 80 percent of the CFPB’s identified positions. These job analyses were essential to the development of Job Opportunity Announcements and will serve as a framework to describe the full range of technical and cross-occupational competencies required for successful performance and succession planning.

- launched an initiative to develop a comprehensive performance management process to include an information technology solution. As part of the initiative, the CFPB is conducting research on best practices, benchmarking agencies and organizations with successful systems, and soliciting feedback from the workforce in order to find the best fit for the agency. Additionally, the CFPB plans to continually evaluate the performance management solution in order to ensure it is meeting the agency's needs.
- created a comprehensive on-boarding program that familiarizes staff with the Bureau's mission, vision, and values; defines the organization and its objectives; outlines the historical background to the establishment of the Bureau; emphasizes the importance of culture, diversity, and values to the success of the Bureau; and provides background and support for staff employment needs.
- partnered with the Treasury Department to allow CFPB employees to use the Treasury Learning Management System, until internal CFPB organizational capacity can be established. This system is a "one-stop shop" for all professional development activities that:
  - » allows employees to access specialized online courses; pursue certification programs; use organizational courseware; and participate in interactive webinars with national experts;
  - » is accessible 24/7 on any desktop, laptop, or mobile device;
  - » allows managers to generate reports on groups and individuals' learning progress, view professional development deadlines, and assign courses; and
  - » provides employees with opportunity to complete mandatory annual training requirements

Recognizing its core Examination and Consumer Response mission, the CFPB has devoted extensive attention to the workforce development activities for these core occupations. Specifically, the CFPB:

- identified gaps in critical skills and competencies needed for the Examiner and Consumer Response workforces; and
- created a comprehensive Examination and Consumer Response training program directed at both new and transferee staff to these functions.

The CFPB focus on developmental activities for Examiners and Consumer Response Specialists has resulted in a robust training program for these occupations. All Examiners and Consumer Response Specialists attend a one-week orientation designed to create a culture of success that fosters:

- open communication;
- teamwork;
- collaboration;
- innovation;
- knowledge sharing;

- open-mindedness;
- flexibility;
- direct feedback;
- mentoring and coaching; and
- ongoing development.

Training topics during this orientation include:

- effective communication and conflict resolution;
- peer mentoring and coaching; and
- diversity and culture.

In addition, Supervision has developed comprehensive training modules for Examiners. The training encompasses one or three additional weeks of training that includes original content and leverages materials provided by sister regulatory agencies. The number of weeks of training is determined by the level of detail required, depending on the level of experience and compliance background of the individuals. This additional training focuses on the Federal Reserve Board Examination Process with multiple classroom modules and exercises designed to ensure that staff are aware and comfortable with the technical aspects of their jobs and other related requirements. Because many of the Examiners are transferees from other agencies, the intensive training is designed to ensure that the assigned case work is handled in a consistent manner and in line with CFPB policies and procedures. This initial training will be further supplemented with on-the-job experiences where seasoned Examiners will provide feedback and coaching to the newly hired Examiners on effective supervision.

Our Consumer Response team has also developed a comprehensive two-week training program for all staff who will be engaged in these activities.

## **FUTURE ACTION ITEMS**

In recognition of the emerging issues previously mentioned and in continuation of the ongoing activities and accomplishments mentioned above, the CFPB's Training and Workforce Development Plan includes the following planned actions over the next 24-36 months:

- Identify and evaluate gaps between projected or actual availability of the CFPB's mission-critical competencies and the current and future demand for such competencies. The study will include the size, composition, and competency proficiency levels of the workforce. Particular emphasis will be directed to the development of a comprehensive commissioning process that leads Examiners through a combination of classroom, web-based, and on-the-job experiences to develop the appropriate skill set for effective performance. We envision a process for assessing the competency of the Examiners in earning their commission that is comparable to the process currently used by the sister regulatory agencies.
- Establish a learning and development structure to provide the support and mechanisms for assessing needed staff competencies, developing those competencies, integrating individual development activities with organizational performance goals, and ensuring knowledge sharing across the Bureau. This learning

and development organizational structure will provide competency-based training and employee development that prepares the workforce to meet ongoing and emerging programmatic needs. This function will:

- » develop and offer relevant and necessary training and learning opportunities through a variety of venues and methods (e.g., classroom, web-based, experiential);
  - » provide expertise to the CFPB organizational components in assessing learning needs and explore the most viable and cost efficient options for addressing those needs; and
  - » conduct annual training needs assessment survey of workforce and facilitate course offerings based on the results.
- Provide a web-based Career Framework which helps employees plan a career course, create a career development and individual development plan, and access experiential and instructional learning and development opportunities. The framework will include comprehensive career maps and other tools to support employees in understanding, exploring, and planning for their career growth at the CFPB.
  - Create a web-based Knowledge Center for policy and reference material that leverages sources of knowledge. The Knowledge Center will be a collaborative tool where members can contribute knowledge and interact with other employees. This forum will also result in an electronic library of training materials and practices so that the CFPB's offices can immediately use those resources to meet training needs.
  - Develop and implement a multi-year plan to build a comprehensive and innovative Executive/Management Development Program that focuses on the leadership, business, administrative, management, and ethical skills needed up and down the executive and management chain. The program will include:
    - » review and integration of "Best Practices" of public and private organizations to strengthen the CFPB's current and future leadership capacity.
    - » development of succession planning strategies that are linked to the CFPB's strategic goals; identify talent from multiple organizational levels; and address specific human capital challenges such as knowledge transfer and diversity.
    - » development of formal leadership and management development programs which will identify and grow internal future leaders such as Emerging Leader and/or Executive Candidate Development Programs, and mentoring and understudy plans.

# Workforce Flexibilities Plan

## SUMMARY

This section presents the CFPB's current and future strategies for workforce flexibilities as required by Section 1067 of the Dodd-Frank Act. As described in previous sections of this report, the CFPB has many ongoing activities designed to recruit and retain a talented, diverse, and engaged workforce that is critical to building and transforming the CFPB into a high-performing agency that can keep pace with emerging mission requirements and operating realities. The Workforce Flexibilities Plan will support these ongoing activities and help ensure that the workforce reflects maximum use of all flexibilities available to federal agencies with regard to a mix of appointment authorities and terms of employment. The plan will also recognize that the CFPB's unique workforce of flexible workplace and data-driven professionals is particularly well-suited to use the majority of flexibilities envisioned by the legislation, and that an integrated approach to workplace flexibility will further promote employee engagement and productivity, a healthy environment and healthy workers; continuity of operations, and economic efficiencies.

Because CFPB's focus this past year has been on planning and developing its organizational structure for the July 21, 2011 stand-up, the Bureau has implemented an interim plan with the Treasury Department to offer a wide range of work-life benefits to CFPB employees. A description of these flexibilities and CFPB's plans for its own flexibilities program are below.

The CFPB's vision is to offer extensive and innovative work-life programs and flexibilities that enhance the health, morale, commitment, and productivity of the workforce, increase business efficiencies, and promote the agency's mission.

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## VISION AND GOALS

**Productive, Committed, and Healthy Employees:** Workplace flexibilities improve employee performance and productivity by increasing morale, job satisfaction, and work-life balance. They also lead to economic efficiencies, through reduction in leave usage and commuting time, as well as by cost savings on real estate, infrastructure, and energy usage.

**Continuity of Operations:** The ability to work remotely (either through home duty stations or through routine or situational telework) is not only a work-life incentive, but a national security imperative and will be a key component of the CFPB's Continuity of Operations Plan (COOP) Plan.

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"The Bureau shall submit a workforce flexibility plan that includes, to the extent practicable—

- (i) telework;
- (ii) flexible work schedules;
- (iii) phased retirement;
- (iv) reemployed annuitants;
- (v) part-time work;
- (vi) job sharing;
- (vii) parental leave benefits and childcare assistance;
- (viii) domestic partner benefits;
- (ix) other workplace flexibilities; or
- (x) any combination of the items described in clauses (i) through (ix)."

*Dodd-Frank Act, 1067(b)(2)(B)*



## ACCOMPLISHMENTS TO DATE

The CFPB requires a highly specialized, highly qualified, and diverse workforce that is committed to accomplishing the agency's mission and programmatic goals. The CFPB has established or is in the process of establishing workforce flexibilities programs. The following flexibilities are currently being provided to all CFPB employees:

- **Flexible Work Schedules:** The CFPB currently offers a gliding flexible work schedule, which enables employees to vary their daily arrival and departure times within the parameters of 7:00 a.m. – 6:30 p.m. on weekdays, provided that they fulfill their daily work requirements and account for time during the CFPB's core hours of 10:00 a.m. – 11:30 a.m. and 1:30 pm – 2:30 p.m. CFPB will soon issue a new policy that expands the options for both compressed and flexible work schedules for its employees.
- **Telework:** The Bureau has implemented a situational telework policy that will allow managers and employees to discuss organizational needs and appropriate ad hoc arrangements for episodic telework.
- **Domestic Partner Benefits:** The CFPB established benefits programs effective July 17, 2011, that allow domestic partner benefits for CFPB-specific vision, dental, and life insurance and that provide a domestic partner subsidy for health benefits when validated through appropriate documentation.
- **Short Term and Long Term Disability:** Available in the event an employee needs to miss work for an extended period of time due to illness or injury.
- **Emergency Child Care Services:** CFPB employees are able to access care for children and dependent adults through an extensive network of in-home and center-based providers.
- **Physical Exam Program:** Allows eligible employees to receive tax-free reimbursement up to a specific dollar amount for out-of-pocket medical expenses associated with an annual physical.
- **Employee Assistance Program:** Voluntary, confidential counseling and referral service is provided free of charge to employees and their dependents. This service is available 24 hours a day, seven days a week, and is staffed by professional counselors who can provide assistance on wide range of issues including stress and health, family and relationship, substance abuse, and workplace, financial, legal, and behavioral problems.
- **Parental Leave Benefits:** The CFPB currently follows leave entitlements guaranteed to employees under Title 5 of the United States Code.

In addition, the following benefits are provided to CFPB employees working at headquarters in the Washington, D.C. area:

- **Fitness Center Access (Washington, D.C.):** the CFPB employees have access to fitness and exercise room in the Main Treasury Building, Washington, D.C., and have access to discounts at local health and fitness clubs.

- **Public Transit Incentive Program:** the CFPB provides a fare subsidy of up to \$230 a month, which can be applied towards an employee's monthly transit costs. This subsidy is available to employees who commute to and/or from work via public transportation or an authorized vanpool.
- **Health Unit Services (Washington, D.C.):** CFPB employees have access to confidential health services provided by highly skilled, experienced health care professionals. Available services include preventive screenings, first aid, immunizations and health education. The Unit is located in the Treasury Annex Building.

## **FUTURE ACTION ITEMS**

As the stand-up of the agency proceeds and the CFPB turns its attention to maintaining newly acquired workforce, over the next several years it will focus on the following activities designed to make maximum use of workforce flexibilities.

- Develop and implement a CFPB Work-Life Program that, at minimum, incorporates and, where appropriate, expands upon the flexibilities described above. The CFPB will actively involve management and staff to explore workforce flexibilities "best practices" in the public and private sectors in order to improve productivity, achieve cost efficiencies, and enhance employee morale.
- Prepare a CFPB COOP that incorporates workforce flexibilities, especially telework, as a key component. The COOP will ensure that primary mission essential functions continue to be performed during a wide range of emergencies, including localized acts of nature, pandemic influenza, accidents, and technological or attack-related emergencies.
- Create a job sharing program that expands the applicant pool of highly qualified candidates interested in part-time employment with the CFPB.
- Plan to establish or contract for on-site child care services for headquarters employees.
- Assess the need for continued use of reemployed annuitants, based on the specialized skill sets required to achieve the mission and in concert with the Recruitment and Retention Plan.