

Growing Our Human Capital

Human Capital Annual Report to Congress

Message from Richard Cordray

Director of the CFPB



At the Consumer Financial Protection Bureau, each of our employees is a critical contributor in fulfilling our mission to make financial markets work for American consumers. From the examiners supervising financial institutions, to the financial analysts poring over real-time market data, to the technology developers enhancing our digital resources and consumer complaint platform, the work of our agency demands high levels of expertise and employee engagement in order to deliver successful results to consumers across the country.

Now, in our fourth annual human capital report, I am pleased to inform Congress of the progress we are making to fulfill our mission through our most valuable asset: our employees. We took a number of steps in the past year to develop our employees' expertise, and to strengthen their engagement with colleagues and consumers. Our Office of Human Capital (OHC) produced and refined a number of programs that will serve as foundational workforce investments for many more years. In partnership with its CFPB peer offices, OHC continues to offer managers and employees the training resources, developmental opportunities, and fair rewards that they need to continue our important work.

This report demonstrates our continued commitment to building an effective and inclusive workforce that effectively addresses the challenges and nuances of complex financial markets. We remain focused on delivering exceptional results to consumers and welcome the opportunity to discuss these efforts further, both in this year and in the years to come.

Sincerely,

A handwritten signature of Richard Cordray in blue ink. The signature is written in a cursive, flowing style, with the first name 'Richard' and the last name 'Cordray' clearly legible.

Richard Cordray

Table of contents

Message from Richard Cordray	2
Table of contents.....	3
1. Introduction.....	5
1.1 About the CFPB	5
1.2 Purpose of this report	5
2. Training and workforce development	6
2.1 Identification of skill and technical expertise needs and actions taken to meet those requirements.....	7
2.2 Steps taken to foster innovation and creativity	8
2.3 Leadership development and succession planning	9
2.4 Effective use of technology by employees	10
3. Workplace flexibilities	11
3.1 Telework	12
3.2 Flexible work schedules.....	12
3.3 Phased retirement	13
3.4 Reemployed annuitants.....	13
3.5 Part-time work.....	13
3.6 Job sharing	13
3.7 Parental and family leave benefits	13

3.8	Domestic partner benefits	14
3.9	Other workplace flexibilities.....	15
4.	Recruitment and retention	16
4.1	The steps necessary to target highly-qualified applicant pools with diverse backgrounds.....	18
4.2	Streamlined employment application processes	19
4.3	The provision of timely notification of the status of employment applications to applicants.....	20
4.4	The collection of information to measure indicators of hiring effectiveness.....	20
5.	Conclusions	21

1. Introduction

1.1 About the CFPB

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), signed into law on July 21, 2010 by President Obama, established the Consumer Financial Protection Bureau (CFPB or Bureau). Since we opened our doors, we have been focused on making consumer financial markets work better, and helping consumers improve their financial lives through fair rules, consistent oversight, appropriate enforcement of the law, and broad-based consumer engagement.

1.2 Purpose of this report

Section 1067 of the Dodd-Frank Act requires the Bureau to submit an annual report to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Financial Services for the first five years after enactment of the Dodd-Frank Act, including its plans for:

1. Training and Workforce Development,
2. Workplace Flexibilities, and
3. Recruitment and Retention.

This report shows the progress made in building the Bureau and developing the workforce needed to successfully accomplish the Bureau's mission.

2. Training and workforce development

The Dodd-Frank Act requires that we describe our efforts in the following areas to the extent practicable:

DODD-FRANK ACT §1067(B)(2)(A):	(i)	Identification of skill and technical expertise needs and actions taken to meet those requirements
TRAINING AND WORKFORCE DEVELOPMENT PLAN	(ii)	Steps taken to foster innovation and creativity
	(iii)	Leadership development and succession planning
	(iv)	Effective use of technology by employees

Training and workforce development has continued to evolve year after year, moving from a strong baseline of offerings for New Employee Orientation (NEO) to a more broad and varied set of trainings to give employees the tools for success throughout their time at the Bureau and beyond. In the past year, the Bureau has introduced a suite of trainings for managers, as well as training for all employees targeted toward specific skill-building. Initial offerings for internal training topics for all employees include: effective teamwork, effective meetings, and effective communications. Additionally, funding and suppliers have been secured to support core competency training for all employees.

2.1 Identification of skill and technical expertise needs and actions taken to meet those requirements

The CFPB as a whole is committed to supporting and developing a high-performing workforce. Upon its creation, the Bureau thoughtfully established an organizational design, defined key jobs and associated initial skill requirements, defined core values, conducted effective hiring, and delivered employee onboarding to set the stage for creating a high-performing workforce.

Now the Bureau turns its attention to creating and implementing strategies to grow and retain its high-performing workforce. These include further refinement of organizational design, analysis of job competencies along a career continuum, manager and employee engagement in ongoing performance feedback, the design, sourcing, and delivery of high-priority learning programs, and the creation of career development resources and opportunities.

Employees and managers have been and continue to be supported in these efforts as the Bureau this year:

- Continued to develop a core competency model for team members (non-supervisors) and leadership (supervisors, managers, and executives);
- Developed Leadership Competencies to address and improve upon diversity and inclusion;
- Developed technical competencies for six high-occupancy positions at the Bureau: examiners, attorneys, Consumer Response intake and investigations, economists, analysts, and administrative positions;
- Completed a job task and competency analysis for examiner positions to support development of specialized competency-based learning programs and the examiner commissioning program;
- Continued to improve upon the Individual Development Plans (IDPs) offered to employees to chart career goals and skills development, and support the IDP process with guidance and support from talent management experts;

- Continued to support the administrative assistants network, which promotes standardized training, career development, and networking for the Bureau's administrative staff;
- Offered financial regulatory trainings and certification options to Intake and Investigations employees within Consumer Response, with efforts to expand upon this work by offering position-based learning plans for all groups of employees;
- Created an extensive career path guide for employees, highlighting a variety of job families around the Bureau;
- Conducted supervision training on a variety of topics (including fair lending examinations, operations and deposits / prepaid products, lending principles, and new rules) for nearly 400 CFPB employees;
- Finalized the Examiner Commissioning Program (ECP), which establishes transparent criteria and a training plan that will provide every examiner the opportunity to pursue their commissioning. Successful completion of the ECP is a significant milestone in an examiner's career, signifying an examiner's attainment of the broad-based technical expertise, knowledge, skills, and tools necessary to perform the duties of a commissioned examiner. The ECP complements the current career path for examiners and is considered a pinnacle of professional achievement for examiners; and
- Hosted Diversity and Inclusion training events for all employees and a number of cultural awareness events to build cultural competency awareness and skills necessary to attract the highest-performing and most diverse group possible to carry out our mission.

2.2 Steps taken to foster innovation and creativity

This year the Bureau:

- Offered approximately 50 Lunch and Learn educational sessions on topics of cross-functional interest, which support the CFPB's values of Serve, Lead, and Innovate, and which foster successful achievement of our mission. Attendance numbered approximately 50 people per session, including both in-person and remote attendance;

- Launched Project Boldness and its ideation platform IdeaBox, which has been used to collect employee ideas for improvements to existing projects, new projects around the Bureau, and ways to improve the employee experience;
- Utilization of data visualization and business intelligence software by the Bureau's Office of Technology & Innovation in a server environment to promote data sharing and encourage innovation;
- Consulted with the National Treasury Employees' Union (NTEU) on a range of workforce issues to ensure that all employees' views are represented; and
- Offered training to all employees and supervisors about diversity and inclusion as a catalyst to spur creativity and innovation in the workplace. By engaging a wide variety of backgrounds and perspectives, the Bureau is better able to develop and consider creative solutions.

2.3 Leadership development and succession planning

This year the Bureau:

- Began offering four-day-long, in-house Supervisory Development Seminars (SDS) to all supervisors, which emphasizes the Bureau's commitment to quality and fairness;
- Created and began delivering the first sessions of the Leadership Excellence Seminars (LES), reaching all CFPB supervisors and managers with ongoing leadership development training;
- Created a career path guide for employees showing possible career paths based on job families around the Bureau, providing employees with the resources to plan a more long-term career with the Bureau, including potential movement into team lead or supervisory positions;
- Offered performance management training and consultation to all supervisors, with an emphasis on helping supervisors deliver effective performance feedback, coaching, and meaningful conversations with their teams;
- Required a two-day Employment Civil Rights Training for all managers and supervisors;

- Offered training for strategic change management to managers;
- Developed a Succession Management Guide that will be used to shape the design of the CFPB's succession planning program; and
- Launched a new online resource through which employees can view short-term developmental opportunities centrally on the CFPB intranet.

2.4 Effective use of technology by employees

The CFPB strives to be an agile learning organization that is able to meet changing mission requirements. The CFPB will continue efforts to provide employees with opportunities to learn, develop, and share knowledge on the technology required to effectively regulate the complex consumer financial marketplace. For example:

- Cybersecurity training is mandatory for all employees and must be completed annually;
- Training is provided to all employees on the use of various Human Capital Systems, including timekeeping and learning software;
- As a part of the effective meetings training, virtual meeting instruction is offered to all employees;
- Utilizing our enterprise-wide Treasury Learning Management System (TLMS) for on-demand course content, to track compliance training, and for automated workflow for external training requests and approvals via automated SF-182 form and approval workflows; and
- The Bureau implemented additional on-demand learning resources and content available 24/7 consisting of thousands of on-line books, articles, executive summaries, and video segments from Books24x7 and 50Lessons accessed via TLMS.

3. Workplace flexibilities

Under the Dodd-Frank Act, the CFPB must address the development and implementation of workforce flexibilities. Specifically, the Dodd-Frank Act requires that we describe our efforts in the following areas to the extent practicable:

DODD-FRANK ACT §1067(B)(2)(B):	(i)	Telework
WORKPLACE FLEXIBILITIES PLAN	(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

The CFPB continues to offer workplace programs and flexibilities that enhance the health, morale, commitment, and productivity of the workforce, increase business efficiencies, and promote the Bureau’s mission. These workforce programs are developed based on thorough analyses of available flexibilities, as well as private- and public-sector benchmarking, where relevant. The Bureau recognizes that an integrated approach to workplace flexibility will promote employee engagement and productivity, a healthy environment and healthy workers, continuity of operations, and economic efficiencies.

3.1 Telework

This year, the Bureau completed negotiations with NTEU to expand our telework program. This program is supported by tying telework eligibility to performance – employees are eligible for routine telework only if they show continued performance at the “solid performer” level. Situational telework is available to any employee with a situational telework agreement in place. Additionally, employees can utilize extended situational telework to accommodate unique medical and personal situations.

The Bureau has offered training on telework policies to both managers and employees to facilitate high standards for performance and accountability, and tracks employee use of telework through our time and attendance system. Telework training for employees is a mandatory precursor to a telework agreement.

3.2 Flexible work schedules

Employees can use flexible work schedules to facilitate a sustainable work-life balance. All employees are given the flexibility of a gliding schedule, where they are required to work eight hours per day, in addition to taking a lunch break, and can choose (in coordination with their manager) a variety of times during which to arrive at or depart from work (as long as they are in the office during “core hours”). Additionally, employees can elect (in coordination with their manager) to participate in a “5-4/9” schedule. This schedule allows employees to work nine hours per day for four days a week during a two week period, work eight hours for one day, and be out of the office on a scheduled “flex” day.

The Bureau's continued training and creation of organizational norms ensures that the majority of meetings are scheduled during core hours, in order to accommodate employees on flexible work schedules. Additionally, employees are eligible to earn credit hours (for use in place of annual leave) with their supervisor's approval, allowing them to voluntarily work additional hours when desired in order to vary the length of a workday or workweek. Managers are provided with advice, guidance, and training on telework and other workplace flexibilities.

3.3 Phased retirement

The Office of Personnel Management (OPM) recently issued new guidance on phased retirement. The CFPB is in the process of assessing this guidance to determine its applicability.

3.4 Reemployed annuitants

The Bureau has previously hired reemployed annuitants and remains ready to continue hiring reemployed annuitants in order to support mission needs.

3.5 Part-time work

Part-time work schedules are offered and supported by the Bureau, though not frequently used.

3.6 Job sharing

Job sharing is offered and supported by the Bureau, though not frequently used. This benefit is advertised to employees on the Bureau's intranet.

3.7 Parental and family leave benefits

In order to promote work-life balance and aid the Bureau's workforce, the Bureau offers:

- A sick leave policy, which includes expanded use of sick leave for the birth or adoption of a child, enhanced from what many other Federal agencies provide;
- A short term disability program that is available to new mothers during the first 6-8 weeks after childbirth;
- Nationwide emergency childcare services;
- Referrals to childcare through a service provider;
- A nursing mothers' policy, outlining additional guidance on space and time available for lactation purposes, as well as guidance for employees in the field;
- Lactation rooms in all Washington, DC office buildings;
- Flexible spending accounts (FSAs), including a contribution by the organization, which can be used for medical costs or dependent care, up to a predefined amount;
- Voluntary leave transfer program to assist employees affected by their own or a family member's medical emergency; and
- Availability of an extensive network of in-home and center-based providers of care for children and dependent adults.

3.8 Domestic partner benefits

June 26, 2014 marked the one-year anniversary of the Supreme Court's decision to strike down a critical part of the Defense of Marriage Act (DOMA) of 1996. As a result of this decision, the Bureau extended benefits to Federal employees and annuitants who have legally married a spouse of the same sex. For the purposes of benefits coverage, legal same-sex marriages are treated in the same manner as opposite-sex marriages, regardless of an employee's or annuitant's state of residency. In addition under the Bureau's sick leave, voluntary leave transfer, and Family and Medical Leave Act (FMLA) programs, "spouse" is now defined as "a partner in any legally-recognized marriage, regardless of the employee's state of residency."

In addition, both same-sex and opposite-sex domestic partners can also be reimbursed for health insurance and some other medical costs.

3.9 Other workplace flexibilities

The CFPB is committed to providing and continuously improving workplace flexibilities in an effort to attract, engage, and retain the Bureau's workforce and enhance the workplace.

- The CFPB offers short-term and long-term disability insurance for all employees;
- Enhanced annual leave policy allowing employees to carry over up to 360 hours of annual leave;
- Intervening weekend travel for examiners, which allows them the flexibility to return home to their families or travel over the weekend between examinations; and
- As a result of negotiations between CFPB leadership and the NTEU, the Bureau now has an operational policy for employee-initiated requests for relocation. Employees who meet a variety of eligibility requirements (including performance, length of service, and type of work) now have a process through which they can request to relocate their position to a different duty station.

4. Recruitment and retention

Under the Dodd-Frank Act, the CFPB must address the specific activities aimed at ensuring the Bureau effectively recruits and retains a high-quality and diverse workforce. Specifically, the Dodd-Frank Act requires that we describe our efforts in the following areas to the extent practicable:

DODD-FRANK ACT §1067(B)(2)(C):	(i)	The steps necessary to target highly-qualified applicant pools with diverse backgrounds
RECRUITMENT AND RETENTION PLAN	(ii)	Streamlined employment application processes
	(iii)	The provision of timely notification of the status of employment applications to applicants
	(iv)	The collection of information to measure indicators of hiring effectiveness

The CFPB is committed to the employment and advancement of a diverse workforce. The Office of Human Capital and the Office of Minority and Women Inclusion (OMWI) collaborate to identify sources of highly-qualified diverse talent to serve the Bureau’s mission.

The Bureau’s workforce, consisting of 1,419 employees as of September 2014¹, represents diversity of gender, race, national origin, veteran status, age, and targeted disabilities. Table 1

¹ Data from Workforce Analytics data repository as of October 4, 2014, pay period 19.

shows a current snapshot of the Bureau’s diversity. The Bureau exceeds FIRREA² comparisons with respect to gender (46% female at the CFPB vs. 44% female at other FIRREA agencies) and minority employees (35% of staff self-identify as a minority at the CFPB vs. 30% of FIRREA employees).

TABLE 1: DEMOGRAPHIC SNAPSHOT OF THE CFPB WORKFORCE AS COMPARED TO FIRREA PEERS

Diversity	% Female	% Minority	% Veterans	40+	Targeted Disabilities
CFPB ³	46%	35%	12%	47%	2%
FIRREA Peers ⁴	44%	30%	No data available	70%	No data available

The Bureau has also put in place a number of measures to ensure retention of its workforce, including the use of career ladders, detail opportunities within and outside of the agency, training opportunities, and a mission-focused work environment. The CFPB’s retention strategy includes employee engagement activities, which connect and enable the Bureau’s Headquarters and distributed workforce to support a shared workforce commitment to the CFPB’s mission and values. The Bureau recognizes that a truly diverse, inclusive, and engaged workforce is vital to our protection of American consumers and living our core values of Serve, Lead, and Innovate.

² Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

³ CFPB data from Fedscope as of June 2014, includes interns. Veteran and disability data from HR Connect as of October 2014.

⁴ FIRREA data from Fedscope as of June 2014, includes CFTC, FCA, FDIC, FHFA, NCUA, SEC, and Treasury OCC.

4.1 The steps necessary to target highly-qualified applicant pools with diverse backgrounds

The Bureau took several steps to recruit highly-qualified, diverse applicants. For example, the Bureau:

- Participated in 55 recruiting events at colleges and conferences across the country, of which approximately 51% (28) were primarily focused on diversity hiring initiatives representing a partnership between the Bureau's OHC and OMWI;
- Leveraged CFPB staff as recruiters to share their experiences with potential employees, providing them with the tools, messages, and resources to reach out to their own professional networks;
- Pursued a modern digital outreach strategy in keeping with current trends and best practices, with a robust diversity outreach component and plans to continue expanding this type of directed outreach;
- Leveraged the Professional Diversity Network (PDN) to promote the CFPB as an organization and publish CFPB job opportunities to eight distinct diverse target areas, furthering our recruitment reach over a larger, more engaged diverse audience of potential candidates;
- Continued to review data to identify under-representation and target recruiting to ensure that we reach a diverse pool of talent;
- Attracted applicants from a broad range of geographical areas by:
 - Covering the costs of relocation for selected positions;
 - Giving Technology & Innovation Fellows the option to be duty-stationed at their homes; and
- Created long-term talent acquisition partnerships committed to diversity by focusing on relationships and marketing with diverse affinity organizations such as the:
 - National Black MBA Association;

- National Society of Hispanic MBAs;
- Association of Latin Professionals in Finance and Accounting;
- Ascend Pan Asian Leaders; and
- National Association of Black Accountants.

4.2 Streamlined employment application processes

The CFPB is committed to meeting and exceeding Federal hiring goals and standards. This year, the Bureau:

- Continued to follow OPM guidance on streamlining the application process, including writing vacancy announcements in plain language and limiting the length of vacancy announcements;
- Provided structured interview training to more than 130 hiring managers around the Bureau. Structured interviews streamline and standardize the interview process, and provide an opportunity to fairly evaluate a diverse pool of applicants who will all be asked the same set of questions in order to ensure a reliable and data-driven selection process;
- Reviewed and updated the vacancy announcement template to make job announcements more straightforward;
- Worked with shared services provider to determine feasibility and impact of making further adjustments to the hiring process, and continue to work together to optimize the application process; and
- Utilized special hiring authorities to streamline processes targeting specific populations (including persons with disabilities, cybersecurity talent, and veterans).

4.3 The provision of timely notification of the status of employment applications to applicants

The Bureau continued to focus efforts on timely communication with applicants. This year, the CFPB:

- Continued to follow OPM guidance on the four touch points for application notification: application received, application assessed for qualifications, applicant referred to selecting official (or not), and application selected (or not);
- Collaborated internally to enhance the application process and ensure that applicants receive timely updates regarding the status of their applications; and
- Implemented the Hiring Manager Survey to assess hiring manager satisfaction with various aspects of the hiring process, including timing and communications.

4.4 The collection of information to measure indicators of hiring effectiveness

The CFPB used a variety of analytic tools to ensure hiring effectiveness. For example, the Bureau:

- Utilized web analytics data to track candidate interest in job opportunities at the CFPB and to ensure the most efficient use of recruitment dollars;
- Analyzed return on investment for various digital platforms, including quality and quantity of candidates as compared to the costs to use the platform;
- Leveraged web analytics to track job applicant traffic and determine optimal digital strategy design;
- Recognized by the Partnership for Public Service as a best-in-class recruitment organization; and
- Continued a commitment to ensuring that our workforce reflects the faces, ideas, backgrounds and experiences of the American public we serve.

5. Conclusion

At the CFPB, we believe our people are our greatest asset. In order to effectively serve our mission, the Bureau seeks to hire and retain the best and most capable staff, recruited from a range of different backgrounds. Consequently, the CFPB competes with leading government, commercial, and financial organizations for talent. Effective recruiting and hiring methods are critical to attracting this talent; effective training and work-life programs are essential to retaining them. Strong employee engagement and diversity and inclusion programs help to create an environment that encourages all employees to contribute their best to help tackle complex challenges.

Over the past three years, the Bureau has made considerable progress in building out its human capital policies and programs. The Bureau will continue to evaluate employee needs to enhance or modify existing programs going forward, in order to optimize the employee experience and ensure we are delivering the very best service possible to the American consumer.