

March 2018

Office of Minority and Women Inclusion Annual Report to Congress

Message from Mick Mulvaney



Acting Director

This 2017 Annual Report of the Consumer Financial Protection Bureau's (Bureau) Office of Minority and Women Inclusion (OMWI) details the Bureau's diversity and inclusion strategy, initiatives, and demographics. The report addresses efforts to fulfill statutory mandates to seek diversity in the workforce of the agency, to increase opportunities for minority-owned and women-owned businesses (MWOBs); to assess the fair inclusion of women and minorities into all business activities of the Bureau; and to assess diversity practices in entities regulated by the Bureau. This report is presented to fulfill the Bureau's statutory responsibilities and its commitment to accountability pursuant to section 342(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. § 5452)(e).

Sincerely,

Mick Mulvaney

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1. Executive summary

About the Consumer Financial Protection Bureau

The Bureau of Consumer Financial Protection (Bureau) was established on July 21, 2010, under Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act Public Law No. 111-203 (Dodd-Frank Act). The Bureau is an independent bureau within the Federal Reserve System, and an Executive agency as defined in Section 105 of Title 5, United States Code.

The Dodd-Frank Act authorizes the Bureau to exercise its authorities to ensure that, with respect to consumer financial products and services¹:

1. Consumers are provided with timely and understandable information to make responsible decisions about financial transactions;
2. Consumers are protected from unfair, deceptive, or abusive acts and practices and from discrimination;
3. Outdated, unnecessary, or unduly burdensome regulations are regularly identified and addressed in order to reduce unwarranted regulatory burdens;
4. Federal consumer financial law is enforced consistently in order to promote fair competition; and
5. Markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

¹ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), section 1021(b).

Office of Minority and Women Inclusion Mandate

The Bureau's OMWI was established in January 2012 under section 342 of the Dodd-Frank Act, which created an Office of Minority and Women Inclusion in each of the financial regulatory agencies, including the Federal Reserve Board, Federal Deposit Insurance Corporation, Federal Housing Finance Agency, National Credit Union Administration, Office of the Comptroller of the Currency, U.S. Securities and Exchange Commission, and U.S. Department of the Treasury. The OMWI Director reports directly to the Bureau Director and is responsible for all matters relating to diversity in employment, management, and business activities of the Bureau. OMWIs are required to set standards for:

1. Equal employment opportunity and the racial, ethnic, and gender diversity of the workforce and senior management of the agency;
2. Increased participation of minority-owned and women-owned businesses (MWOBs) in the programs and contracts of the Bureau, including standards for coordinating technical assistance to such businesses;
3. Assessing the diversity policies and practices of entities regulated by the agency; and
4. Ensuring, to the maximum extent possible, the fair inclusion and utilization of minorities, women, and MWOBs in all business and activities of the Bureau at all levels, including in procurement, insurance, and in all types of contracts.

Additionally, each OMWI is required to advise its agency head on the impact of the policies and regulations of the agency on MWOBs.

Section 342(e) mandates the submission by OMWI to Congress of an annual report including the following:

1. A statement of the total amounts paid by the agency to contractors since the previous report;
2. The percentage of the amounts paid to contractors that were paid to MWOBs;
3. The successes achieved and challenges faced by the agency in operating minority and women outreach programs;
4. The challenges the agency may face in hiring qualified minority and women employees and contracting with qualified MWOBs; and
5. Any other information, findings, conclusions, and recommendations for legislative or agency action, as the OMWI Director determines appropriate.

OMWI and the Bureau's business case for diversity and inclusion

The Bureau believes that diversity and inclusion (D&I) advance both its core operations as well as the level of service it provides to the American public. A diverse and inclusive workforce that is attuned to communities with varying perspectives and interests helps the Bureau better understand how regulations, policies, and products may uniquely affect those consumers—and ensure that the financial solutions it develops are fully relevant for all of them. A demonstrable commitment to D&I at the Bureau also provides a strong model to the entities it regulates.

OMWI and the Office of Civil Rights (OCR) are organizationally housed within the Office of Equal Opportunity and Fairness. OMWI's D&I practices and programs and OCR's compliance policies and programs are part of a continuing effort to ensure diversity and inclusion and non-discrimination are part of the Bureau's workplace culture. OMWI and OCR work with Bureau partners on collaborative initiatives, as well as with OMWI and Equal Employment Opportunity Directors at the other federal regulatory agencies.

The Bureau's diversity and inclusion strategic plan is built around six pillars:

- Workforce Diversity
- Workplace Inclusion
- Sustainability
- Minority and Women Owned Businesses
- Diversity Practices of Regulated Entities
- Employment Practices of Bureau Contractors

The operational definition of workforce diversity is constructed broadly to encompass all employees and their range of differences, including backgrounds, perspectives, working styles, and identities (including but not limited to, age, disability, ethnicity, gender, race, sexual orientation, etc.), that employees and stakeholders bring to the Bureau in order to better serve the American public.

The Bureau's operational definition of inclusion is the process of fostering an environment where all employees feel valued and empowered to share their views and ideas to inform the Bureau's work. To realize fully the benefits of diversity and ensure that the Bureau is maximizing its talent pool, the Bureau fosters an inclusive culture in which diverse viewpoints

are integrated into its work in order to address the broad and complex issues facing consumers in the financial marketplace.

The D&I strategic plan requires the Bureau to demonstrate leadership's commitment and accountability to fostering a diverse and inclusive workplace culture, in part, by incorporating it into the fabric of the work environment through policies, programs, and initiatives.

In 2017, the Bureau Director led Triannual Performance Review (TPR) discussions with every Division, as well as with leadership in OMWI, OCR, and the Office of Human Capital (OHC). These triannual meetings served as a platform through which the Director communicated his diversity and inclusion priorities. The Bureau Director also met separately with the OCR and OMWI Directors for monthly updates on related programmatic developments, complaints, initiatives, and trends.

The Bureau's D&I initiatives are driven by best practices in the fields of D&I, human capital management, equal employment management, and legal compliance, and are informed by data. The data sources include the Annual Employee Survey (AES), particularly the Inclusion Quotient (IQ), and various analyses of employee surveys on hiring and separations, demographic data analysis, and barrier analysis.

OMWI's accomplishments

Under the leadership of OMWI, the Bureau has continued to sustain D&I strategies to further the work of building and retaining a diverse and inclusive workplace and meeting the mandates related to supplier diversity; fair inclusion and utilization of women and minorities and MWOBs in all Bureau business activities; and assessing the diversity practices of regulated entities. OCR and OHC support and partner with OMWI to enhance diversity and inclusion at the Bureau. The following are some of the Bureau's key accomplishments in 2017:

- The Partnership for Public Service ranked the Bureau second-highest out of all mid-size agencies in "support for diversity" in its Best Places to Work in Government 2017 survey. The Support for Diversity category measures the extent to which employees believe that actions and policies of leadership and management promote and respect diversity.
- Careers & the disABLED magazine ranked the Bureau 16th in its 27th Annual "Top 20 Government Employers" for persons with disabilities.

- On the 2017 AES, the Bureau consistently outperformed the government-wide average on the Inclusion Quotient, which is a measure of the extent to which employees experience the Bureau as inclusive.
- The Bureau's Divisions continued to set performance measures for their diversity and inclusion goals and objectives in their divisional strategic plans. In support of these measures, OMWI provided training to help Division members strengthen skills needed to enhance a diverse and inclusive workplace.
- OMWI continued training managers on leading practices in diversity and inclusion. By the end of calendar year 2017, over 81% of managers had completed the required training. Likewise, over 76% of non-supervisory employees completed a two-hour mandatory introductory training on diversity and inclusion principles.
- The Bureau has three Employee Resource Groups (ERGs): Adelante, an Hispanic employee focused group; CFPB Pride, an LGBTQ employee focused group; and RISE (Relate, Inspire, Serve, Empower), an African-American employee focused group. Adelante and CFPB Pride, which launched in 2016, met regularly to network, plan and host events, and participate in community initiatives. RISE, the Bureau's newest ERG, was formed at the end of 2017. ERGs help raise cultural awareness and can be an effective tool through which to advance the Bureau's mission and its diversity initiatives. ERGs can also provide valuable information about specific demographic groups and are sometimes used as focus groups.
- The first cohort of the Diversity and Inclusion Council of Employees (DICE) concluded a successful two-year term at the end of 2017. DICE is a diverse staff-level volunteer council from across the Bureau that supports OMWI in its work to promote and maintain a diverse, inclusive, and engaged work environment, and assists in the implementation of new D&I initiatives.
- OMWI continued its efforts to foster an inclusive work environment for employees in a variety of ways, including: D&I understanding and awareness presentations to all new hires during orientation; educational and interactive training programs and workshops; heritage month celebrations; regional D&I events; and a quarterly electronic newsletter, Perspectives. OMWI also participated in a cross-Bureau working group, Workforce of the Future, which was created to strengthen organizational cultural norms. In addition, OMWI continued to solicit advice and counsel from the Executive Advisory Council, a leadership group that champions strategies to incorporate D&I throughout the Bureau.

- The Bureau also continued its work implementing the *Joint Standards for Assessing the Diversity Policies and Practices* of entities it regulates.²
- OMWI and the Office of Procurement instituted a system for identifying MWOB opportunities in FY17. This collaboration increases the likelihood of MWOB participation.
- MWOB consideration became formally incorporated into Bureau procurement policy in FY17. Additionally, updates to the Bureau's acquisition planning document and Business Inclusion Form increased Dodd-Frank section 342 awareness among internal Bureau stakeholders in the Office of Procurement and throughout Bureau program offices.
- The acquisition forecast, an invaluable vendor recruiting tool, was updated in FY17. It now includes NAICS codes and other data useful for contractor proposal planning.

Challenges and opportunities

While the Bureau, under OMWI's leadership, has made substantial progress on its strategies for D&I in 2017, the Bureau acknowledges that there is more to accomplish. The following are some of the Bureau's focus areas going forward:

- The Bureau has reviewed and revised its hiring processes to ensure continued access to opportunity for all applicants when presented with the opportunity for hiring. Because some mission critical occupations show an underrepresentation of certain demographic groups and a limited pool of qualified professionals from which to draw for certain positions, efforts will commence to support recruitment in those occupations. Revisions will include training for hiring managers to minimize any unconscious bias in the hiring

² <https://www.federalregister.gov/documents/2015/06/10/2015-14126/final-interagency-policy-statement-establishing-joint-standards-for-assessing-the-diversity-policies>.

processes to level the playing field for all applicants³ and reviewing the effectiveness of the hiring processes on an ongoing basis to ensure that they are effective and relevant in achieving results.

- The Bureau continued to prioritize initiatives that strengthen diversity and inclusion in the workplace, including:
 - Working with Bureau Divisions on strengthening their D&I goals and initiatives into their strategic plans.
 - Providing training to managers and non-supervisory employees to increase their understanding of non-discrimination laws, and competence for managing inclusively and interacting effectively in the Bureau's diverse workplace.
 - Establishing working groups to continue efforts to understand any potential barriers to hiring individuals from underrepresented groups and persons with disabilities.
- In 2017, the Bureau developed processes to ensure the fair inclusion of women, minorities, and MWOBs in all business activities and to inform vendors about the good faith requirements of the Dodd-Frank Act by:
 - Creating a streamlined contractor diversity profile form; and
 - Developing a contract clause certification for inclusion in all Bureau contracts.
- OMWI and the Office of Procurement continued to strengthen opportunities to increase participation of MWOBs by:
 - Identifying potential MWOBs with the capability needed to provide the goods and services being procured by the Bureau and inviting them into the competitive bidding process for these contracts.

³ For a detailed report on this, see the Bureau's MD-715 report at https://files.consumerfinance.gov/f/documents/cfpb_MD-715_annual-report_FY2017.pdf.

- Tracking supplier diversity spending and beginning to share information with Divisions to encourage the use of diverse suppliers as part of the Bureau’s routine business practices.
- Continuing to provide additional tools, resources, and technical assistance opportunities to MWOBs about government contracting processes.

Additional information about the Bureau’s D&I program—including the Bureau’s current Diversity and Inclusion Strategic Plan—is available at <https://www.consumerfinance.gov/data-research/research-reports/cfpb-diversity-and-inclusion-strategic-plan-2016-2020/>

About this report

This report provides detailed information about the Bureau’s D&I efforts from January 1, 2017, until December 31, 2017, unless otherwise noted.

The following sections of this report highlight the Bureau’s progress in five areas, with sustainability as a recurring and connective driver throughout all five:

- Diversity and equal employment opportunity in outreach, recruitment, hiring, and promotions
- Workforce and workplace inclusion initiatives, training and leadership development, and performance management
- Inclusion of minority-owned and women-owned businesses in the Bureau’s acquisition and procurement processes
- Inclusion in business activities
- Assessment of diversity policies and practices of the Bureau’s regulated entities

2. Workforce diversity

2.1 Demographics of current workforce

The Bureau is committed to understanding and drawing upon the broad range of backgrounds, cultures, perspectives, and experiences of its employees to help the Bureau to create innovative solutions that are relevant to all consumers. Therefore, the Bureau fosters D&I in recruitment, hiring, career development, employee engagement and all other areas of the workplace culture and operations. As a result, workforce diversity is one of the six goals of the Bureau's Diversity and Inclusion Strategic Plan and is defined as: recruiting from a diverse group of potential applicants to develop a high-performing workforce drawn from all segments of American society.⁴

Following are demographics⁵ of a) the Bureau's total workforce, b) employees in permanent positions, and c) employees in Mission Critical Occupations.

In CY 2017, the Bureau had a workforce of 1,643 employees, consisting of 843 men and 800 women. This was an increase of 10 employees from 2016, after accounting for turnover. There

⁴ www.consumerfinance.gov/data-research/research-reports/cfpb-diversity-and-inclusion-strategic-plan-2016-2020.

⁵ Data are reported in keeping with OMB standards, which allow individuals to identify ethnicity as well as race separately. For example, "Two or More Races" could be read to indicate an ethnicity (i.e., Hispanic) and a race. The methodology used for the Ethnicity and Race Indicator (ERI) varies in this report from the methodology used in the MD-715. In this report, individuals who selected two or more races (e.g., Asian and White), were counted as Two or More Races.

was a slight increase of 1.48% in the percentage of minority ethnic and race indicator (ERI)⁶ employees from 37.66% in 2016 to 39.44% in 2017, with a corresponding slight decrease in white employees. Compared to the U.S. Census Civilian National Labor Force (CLF), overall Bureau demographics have not changed significantly since fiscal year (FY) 2016.⁷ White men, followed by White women, comprise the largest racial groups in Bureau, followed by Black women and Black men, respectively.

TABLE 1: CALENDAR YEAR 2017 TOTAL WORKFORCE⁸ BY GENDER, RACE AND ETHNICITY⁹

	TOTAL	HISPANIC ¹⁰	WHITE	BLACK	ASIAN	NH/OPI ¹¹	AI/AN ¹²	TWO OR MORE ¹³
TOTAL	1,643	106	1,000	342	143	3	5	44
%	100%	6.45%	60.86%	20.82%	8.70%	0.18%	0.30%	2.86%

⁶ ERI: OPM uses Ethnic and Race Indicator (ERI) to include employees who are Hispanic, Black, Asian, Native Hawaiian/Other Pacific Islander (NH/OPI), American Indian/Alaska Native (AI/AN) and employees of Two or More races. <https://www.fedscope.opm.gov/rno/eri.asp>.

⁷ The CLF is derived from the 2006-2010 American Community Survey (ACS) Equal Employment Opportunity Tabulation (EEO Tabulation). The EEO Tabulation was originally released by the U.S. Census Bureau on November 29, 2012. It provides external benchmarks to assist federal agencies in monitoring employment practices and enforcing workforce civil rights laws. Federal agencies are required to use the EEO Tabulation in preparing their annual MD-715 EEO Program Status reports. See https://www1.eeoc.gov/federal/directives/tech_assistance_06-10_EEO_tabulation.cfm.

⁸ Total workforce encompasses employees on permanent and temporary appointments, including interns.

⁹ In the data tables in this report, total percentages across rows may not always equal 100% due to rounding.

¹⁰ Hispanics who also identify by a race are only counted as Hispanic here.

¹¹ NH/OPI: Native Hawaiian/Other Pacific Islander.

¹² AI/AN: American Indian/Alaska Native.

¹³ In all of the tables with demographic data, the methodology used for the ethnicity and race indicator (ERI) varies in this report from the methodology used in the MD-715. For individuals who selected Two or More Races (e.g., Asian and White), they are counted as two or more races for purposes of this report.

	TOTAL	HISPANIC ¹⁰	WHITE	BLACK	ASIAN	NH/OPI ¹¹	AI/AN ¹²	TWO OR MORE ¹³
Com- munity Labor Force (CLF) ¹⁴	100%	9.96%	72.36%	12.02%	3.90%	0.14%	1.08%	0.54%
Male	843	57	563	123	77	1	3	19
%	51.31%	3.46%	34.27%	7.49%	4.69%	0.06%	0.18%	1.16%
Female	800	45	437	219	66	2	2	25
%	48.69%	2.98%	26.60%	13.33%	4.02%	0.12 %	0.12%	1.52%

2.2 Demographics of mission critical occupations

The Bureau has four Mission Critical Occupations (Examiners, Miscellaneous Administration and Program Series, General Attorneys, and Economists) that comprise the largest occupational categories (0570, 0301, 0905 and 0110, respectively). As a result, the Bureau is committed to ensuring that these key positions particularly reflect the diverse makeup of the American marketplace.

- In CY 2017, among the permanent employees:
- Miscellaneous Administration and Program Series: 46% minorities; 59% women;

¹⁴ The CLF is derived from the 2006-2010 American Community Survey (ACS) Equal Employment Opportunity Tabulation (EEO Tabulation). The EEO Tabulation was originally released by the U.S. Census Bureau on November 29, 2012. It provides external benchmarks to assist federal agencies in monitoring employment practices and enforcing workforce civil rights laws. Federal agencies are required to use the EEO Tabulation in preparing their annual MD-715 EEO Program Status reports. See https://www1.eeoc.gov/federal/directives/tech_assistance_06-10_EEO_tabulation.cfm.

- Economists: 27% minorities; 30% women;
- Examiners: 42% minorities; 32% women;
- General Attorneys: 25% minorities; 53% women.

TABLE 2: CALENDAR YEAR 2017 MISSION CRITICAL OCCUPATIONS BY ERI AND GENDER (PERMANENT WORKFORCE)

ERI/GENDER	MISC. ADMIN. & PROGRAM (0301)	ECONOMISTS (0110)	EXAMINERS (0570)	GENERAL ATTORNEYS (0905)
TOTALS	330	33	433	311
%	100.00%	100.00%	100.00%	100.00%
Hispanic	22	2	30	15
%	6.67%	6.06%	6.93%	4.82%
CLF	8.60%	5.10%	3.80%	4.30%
White	177	24	251	233
%	53.64%	72.73%	57.97%	74.92%
CLF	70.90%	81.00%	72.40%	84.40%
Black	92	2	100	26
%	27.88%	6.06%	23.09%	8.36%
CLF	11.90%	5.50%	12.30%	4.70%
Asian	29	5	34	27
%	8.79%	15.15%	7.85%	8.68%
CLF	6.20%	7.60%	7.70%	3.60%
NH/OPI	1	0	2	0
%	0.30%	0.00%	0.46%	0.00%
CLF	0.10%	0.10%	0.00%	0.00%
AI/AN	1	0	4	0
%	0.30%	0.00%	0.92%	0.00%
CLF	0.70%	0.60%	0.40%	0.50%
Two or More	8	0	12	10

ERI/GENDER	MISC. ADMIN. & PROGRAM (0301)	ECONOMISTS (0110)	EXAMINERS (0570)	GENERAL ATTORNEYS (0905)
%	2.42%	0.00%	2.77%	3.22%
CLF	0.50%	0.20%	0.50%	0.40%
Male	135	23	292	145
%	40.91%	69.70%	67.44%	46.62%
CLF	36.70%	67.10%	54.70%	66.70%
Female	195	10	141	166
%	59.09%	30.30%	32.56%	53.38%
CLF	63.30%	32.90%	45.30%	33.30%

During 2017, in the General Attorney (0905) occupational series, 53% were women. Compared with 2016, the percentage of women attorneys on permanent appointments decreased by 1% (from 45%), while the number of women attorneys increased by three, to 166. The percentage of minority attorneys on permanent appointments increased by one percent, to 25%.

TABLE 3: CALENDAR YEAR 2017 PAY BANDS FOR MISSION CRITICAL OCCUPATIONS BY GENDER/ERI ATTORNEYS (0905) (PERMANENT WORKFORCE)¹⁵

ERI/GENDER	ALL	GS-11-13 /CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL ¹⁶
Totals	311	40	66	194	11
%	100%	12.86%	21.22%	62.38%	3.54%
Hispanic	15	6	2	6	1

¹⁵ Table 4 reflects the percentage of a specific ERI or Gender out of the entire permanent workforce of the particular mission critical occupation (MCO). The same is true for the Tables 5 and 6, which show MCO by pay band groupings.

¹⁶ Senior level pay bands include the CN-81, CN-82, CN-90, and 02.

ERI/GENDER	ALL	GS-11-13 /CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL¹⁶
%	4.82%	1.93%	0.64%	1.93%	0.32%
White	233	28	48	149	8
%	74.92%	9.00%	15.43%	47.91%	2.57%
Black	26	2	9	13	2
%	8.36%	0.64%	2.69%	4.18%	0.64%
Asian	27	3	7	17	0
%	8.68%	0.96%	2.25%	5.47%	0.00%
NH/OPI	0	0	0	0	0
%	0.00%	0.00%	0.00%	0.00%	0.00%
AI/AN	0	0	0	0	0
%	0.00%	0.00%	0.00%	0.00%	0.00%
Two or More	10	1	0	9	0
%	3.22%	0.32%	0.00%	2.89%	0.00%
Male	145	21	32	88	4
%	46.62%	6.75%	10.29%	28.30%	1.29%
Female	166	19	34	106	7
%	53.38%	6.11%	10.93%	34.08%	2.25%

The permanent Bureau Examiner workforce was made up of 433 employees at the end of 2017. It consisted of one-third women, at 32%, and 42% minorities, an increase of one percent. Of the minority Examiners, 23% were Black, eight percent were Asians, and seven percent were Hispanics. The remaining four percent included Hawaiian Pacific, American Indian and employees of Two or More Races. The Examiner population is the most geographically dispersed population at the Bureau.

TABLE 4: CALENDAR YEAR 2017 PAY BANDS FOR MISSION CRITICAL OCCUPATIONS BY GENDER/ERI EXAMINERS (0570) (PERMANENT WORKFORCE)

ERI/ GENDER	TOTAL	GS-10 AND BELOW/ CN-43 AND BELOW	GS-11-13/ CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL¹⁷
Totals	433	30	259	115	25	4
%	100%	6.93%	59.82%	26.56%	5.77%	0.92%
Hispanic	30	3	19	6	2	0
%	6.93%	0.69%	4.39%	1.39%	0.46%	0.00%
White	251	17	139	75	17	3
%	57.97%	3.93%	32.10%	17.32%	3.93%	0.69%
Black	10	7	67	20	6	0
%	23.09%	1.62%	15.47%	4.62%	1.39%	0.00%
Asian	34	2	22	9	0	1
%	7.85%	0.46%	5.08%	2.08%	0.00%	0.23%
NH/OPI	2	0	2	0	0	0
%	0.46%	0.00%	0.46%	0.00%	0.00%	0.00%
AI/AN	4	0	2	2	0	0
%	0.92%	0.00%	0.46%	0.46%	0.00%	0.00%
Two or More	12	1	8	3	0	0
%	2.77%	0.23%	1.85%	0.69%	0.00%	0.00%
Male	292	22	171	74	21	4
%	67.44%	5.08%	39.49%	17.09%	4.85%	0.92%
Female	141	8	88	41	4	0

¹⁷ Senior level pay bands include the CN-81, CN-82, CN-90, and 02.

ERI/ GENDER	TOTAL	GS-10 AND BELOW/ CN-43 AND BELOW	GS-11-13/ CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL ¹⁷
%	32.56%	1.85%	20.32%	9.47%	0.92%	0.00%

TABLE 5: CALENDAR YEAR PAY BANDS FOR MISSION CRITICAL OCCUPATIONS BY GENDER/ERI MISCELLANEOUS ADMINISTRATION & PROGRAM SERIES (0301) (PERMANENT WORKFORCE)

ERI/GENDER	TOTAL	GS-10 AND BELOW/CN- 43 AND BELOW	GS-11-13/ CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL ¹⁸
Totals	330	17	165	81	31	36
%	100%	5.15%	50.00%	24.55%	9.39%	10.91%
Hispanic	22	3	9	5	3	2
%	6.67%	0.91%	2.73%	1.52%	0.91%	0.61%
White	177	5	76	54	19	23
%	53.64%	1.52%	23.03%	16.36%	5.76%	6.97%
Black	92	8	64	9	7	4
%	27.88%	2.42%	19.39%	2.73%	2.12%	1.21%
Asian	29	1	11	9	1	7
%	8.79%	0.30%	3.33%	2.73%	0.30%	2.12%
NH/OPI	1	0	0	1	0	0
%	0.30%	0.00%	0.00%	0.30%	0.00%	0.00%
AI/AN	1	0.00	1	0	0	0
%	0.30%	0.00%	0.30%	0.00%	0.00%	0.00%
Two or More	8	0	4	3	1	0

¹⁸ Senior level pay bands include the CN-81, CN-82, CN-90, and 02.

ERI/GENDER	TOTAL	GS-10 AND BELOW/CN- 43 AND BELOW	GS-11-13/ CN-51-53	GS-14/ CN-60	GS-15/ CN-71	SENIOR LEVEL ¹⁸
%	2.42%	0.00%	1.21%	0.91%	0.30%	0.00%
Male	135	4	60	35	15	21
%	40.91%	1.21%	18.18%	10.61%	4.55%	6.36%
Female	195	13	105	46	16	15
%	59.09%	3.94%	31.82%	13.94%	4.85%	4.55%

2.3 New hires: Permanent

In CY 2017, the Bureau hired 104 new permanent employees, 56 men and 48 women. Of the new permanent employees, 49% were minorities. Of the 48 women hired, 17% were Black, three percent were Asian, and five percent were Hispanic. Of the 56 men hired, eight percent were Black, nine percent were Asian, and nine percent were Hispanic. When compared with 2016, there was an increase in the percentage of hires who were Asian (1%) and Hispanic (3%), and a five percent decrease of Black hires. The overall percentage of new women hires declined 11% from 2016, with White and Black women accounting for most of the decline.

TABLE 6: CALENDAR YEAR 2017 NEW PERMANENT HIRES BY GENDER, RACE AND ETHNICITY

2017	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total #	104	14	50	26	12	0	0	2
%	100%	13.46%	48.08%	25.00%	11.54%	0.00%	0.00%	1.92%
Male	56	9	29	8	9	0	0	1
%	53.85%	8.65%	27.88%	7.69%	8.65%	0.00%	0.00%	0.96%
Female	48	5	21	18	3	0	0	1
%	46.15%	4.81%	20.19%	17.31%	2.88%	0.00%	0.00%	0.96%

TABLE 7: CALENDAR YEAR 2016 NEW PERMANENT HIRES BY GENDER, RACE AND ETHNICITY

2016	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total #	198	12	100	59	20	1	0	6
%	100%	6.06%	50.51%	29.80%	10.10%	0.51%	0.00%	3.03%
Male	85	5	52	18	8	1	0	1
%	42.93%	2.53%	26.26%	9.09%	4.04%	0.51%	0.00%	0.51%
Female	113	7	48	41	12	0	0	5
%	57.07%	3.54%	24.24%	20.71%	6.06%	0.00%	0.00%	2.53%

Temporary hires included interns in the federal Pathways summer internship program, which offers interns access to developmental opportunities in a dynamic work environment, as well as legal, technology and management fellows. These temporary hires are an important part of the Bureau's diversity hiring strategy because they provide a ready pool of potential applicants for vacancies in the Bureau. In CY 2017, there were 78 new temporary hires, 45% women and 55% men. Of the women hired, 10% were Black, 4% were Asian, 4% were Hispanic, and 3% were Two or More Races. Of the men hired, 4% were Black, 8% were Asian, 3% were Hispanic, and 1% was Two or More Races. The 78 temporary new hires in CY 2017 was significantly less than the 115 temporary new hires in CY 2016.

TABLE 8: CY 2017 NEW TEMPORARY HIRES BY GENDER, RACE AND ETHNICITY

CY2017	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total #	78	5	50	11	9	0	0	3
%	100%	6.41%	64.10%	14.10%	11.54%	0.00%	0.00%	3.85%
Male	43	2	31	3	6	0	0	1
%	55.13%	2.56%	39.74%	3.85%	7.69%	0.00%	0.00%	1.28%
Female	35	3	19	8	3	0	0	2

CY2017	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
%	44.87%	3.85%	24.36%	10.26%	3.85%	0.00%	0.00%	2.56%

2.4 Separations (Permanent workforce)

The number of permanent employees who separated from the Bureau over the past four years has remained relatively consistent. During 2017, 100 employees on permanent appointments separated from the Bureau, compared with 102 employees in 2016, 101 employees in 2015, and 98 employees in 2014. Of the permanent employees separated in 2017, there was an even split of women and men at 50% each. There was a much lower percentage of minorities separated than whites, 31%.

TABLE 9: CALENDAR YEAR 2017 SEPARATIONS OF PERMANENT EMPLOYEES BY GENDER, RACE AND ETHNICITY

2017	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total #	100	6	69	11	11	0	0	3
%	100%	6.00%	69.00%	11.00%	11.00%	0.00%	0.00%	3.00%
Male	50	3	39	3	4	0	0	1
%	50.00%	3.00%	39.0%	3.00%	4.00%	0.00%	0.00%	1.00%
Female	50	3	30	8	7	0	0	2
%	50.00%	3.00%	30.00%	8.00%	7.00%	0.00%	0.00%	2.00%

2.5 Outreach and recruitment

In 2017, the Bureau continued its commitment to recruit and hire highly qualified individuals from diverse backgrounds to fill positions at all Bureau locations across the country until the hiring freeze began on November 27, 2017. OMWI collaborated closely with OHC's Talent

Acquisition team and OCR to advance the Bureau's recruitment and hiring strategies. Additionally, the Bureau continued to leverage the diverse networks available through its own employees and through professional associations, to broaden the recruitment efforts in order to reach larger pools of potential applicants. To achieve the goal of hiring as diverse a pool of employees as possible, two key strategies were implemented: 1) recruiting widely to make sure that the pool of applicants was as diverse as possible; and 2) continuously improving the hiring processes to ensure an equitable process for all applicants.

OHC's Talent Acquisition team, along with OMWI, undertook outreach efforts and continued to focus on cultivating relationships with universities and organizations that best align with the Bureau's hiring needs. They conducted targeted diversity outreach through student-based programs and affinity affiliated industry events and made special efforts to enhance the Bureau's visibility with organizations representing diverse populations. Among the approaches used to reach a wide pool of highly-qualified, diverse applicants for the Bureau's positions were the following:

- Engaged the Professional Diversity Network (PDN) and other organizations to promote the Bureau and published all available job opportunities to diverse audiences, including minorities, women, veterans, persons with disabilities and LGBT individuals.
- Participated at professional conferences and university events, with a special focus on building relationships and marketing to affinity organizations serving underrepresented groups, including the National Black MBA Association, Prospanica, the Association of Latin Professionals for America, Ascend Pan Asian Leaders, and the National Association of Black Accountants.¹⁹
- Enlisted senior leadership and Bureau champions, including members of DICE, to promote the Bureau's employer identity at outreach events in order to attract candidates to the Bureau as a best place to serve.

¹⁹ A comprehensive list of organizations to which OHC and OMWI conducted outreach is listed in Appendix A.

- Enhanced a program that engages existing employees as ambassadors of the Bureau and provided them with the tools, messages, and resources to reach out to their own professional networks.
- Leveraged and promoted flagship professional development programs, such as the Bureau’s Technology and Innovation Fellows Program, the Director’s Financial Analyst Program, and the Louis Brandeis Honors Attorney Program (now the Joseph Story Honors Attorney Program), to attract and find entry-level talent, and to promote the Bureau as an employer of choice.
- Continued to utilize the Bureau’s Summer Internship and professional development programs to build a pipeline of talent to meet current and emerging workforce needs.
- Hosted a Career Day at the Bureau for local college and graduate students to learn more about careers at the agency.
- Continued to develop and deploy a digital recruitment strategy, which included posting on social media sites to allow for ongoing connections with a wide range of audiences, ensuring engagement was timed with available opportunities.
- Posted job opportunities on the Bureau’s public website and utilized an internal network of staff to share information about employment opportunities.²⁰

The Bureau also made enhancements to the hiring processes in keeping with federal hiring goals and standards to ensure equitable access for everyone.

To that end, the Bureau continued to institutionalize a new annual hiring planning process that supported divisions in using more systematic approaches, including assessment strategies. For some divisions, this included structured interviews and the use of a new Subject Matter Expert (SME) review of minimum qualifications process. These approaches enabled hiring managers to make objective, data-driven employee selection decisions, which helped to ensure an equitable process for all candidates, including those from underrepresented groups.

²⁰ <http://www.consumerfinance.gov/about-us/careers/>

Training was provided by OHC, OMWI, and OCR to staff involved in the hiring process to help increase awareness and competence for conducting unbiased selection and hiring processes.

OHC administered a quarterly New Employee survey and Hiring Manager survey to identify processes that were working well and those that could be improved. Using survey responses, the Bureau continued to refine the hiring processes.

2.6 Promotions

Employees at the Bureau can receive a promotion²¹ through the competitive process (e.g., apply for a promotion and get selected) or through the non-competitive process (e.g., on a career ladder and receive a promotion to the next pay band).

There were 382 total promotions in the workforce in CY 2017. Of the employees promoted, 49% were men and 51% were women, compared with the total Bureau workforce (permanent and temporary employees) of 51% men and 49% women. While these percentages are relatively aligned, the percentage of women who received promotions was slightly higher than their representation in the Bureau’s workforce. Of the promotions, 42% were of a minority group, compared with the Bureau’s total workforce of 39% minority employees.

TABLE 10: CALENDAR YEAR 2017 PROMOTIONS RECEIVED BY ETHNICITY AND RACE (TOTAL WORKFORCE)

2017	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Total # Received	382	24	222	91	29	2	1	13
% Received	100%	6.28%	58.12%	23.82%	7.59%	0.52%	0.26%	3.40%

²¹ For purposes of this report and related tables, a promotion is defined as a change to a higher pay band (e.g., CN-51 to CN-52).

TABLE 11: CALENDAR YEAR 2017 PROMOTIONS RECEIVED BY ETHNICITY, RACE AND GENDER (TOTAL WORKFORCE)

2017	TOTAL	HISPANIC	WHITE	BLACK	ASIAN	NH/OPI	AI/AN	TWO OR MORE RACES
Men Promoted	194	11	131	32	13	2	1	4
% Men Promoted	50.79%	2.88%	34.29%	8.38%	3.40%	0.52%	0.26%	1.05%
Women Promoted	188	13	91	59	16	0	0	9
% Women Promoted	49.21%	3.40%	23.82%	15.45%	4.19%	0.00%	0.00%	2.36%

3. Workforce inclusion

The Bureau's diversity and inclusion strategy promotes, as a foundation, an inclusive work environment for all employees that encourages collaboration, flexibility, and fairness to help enable all managers and employees to realize their full potential and to drive innovation. This focus is based on evidence that posits that the benefits of having a diverse workforce are only fully realized when the work environment is inclusive.²² Benefits include increased productivity and innovation and arriving at solutions that have greater relevance for consumers. In addition, an inclusive and hospitable workplace supports employee engagement, which can contribute to longer-term retention.

The AES fulfills the requirement of Subpart C, 5 CFR, part 250, regarding federal employee surveys to track progress on the inclusion efforts. The AES assessed a broad range of employee perspectives and experiences, among them perspectives and experiences on the rate of inclusion in the workplace.²³ In 2017, a total of 1,274 (77.3%) of all Bureau employees completed the survey, compared with 45.5% government-wide.²⁴ Results for 2017 showed that overall the Bureau continued on its positive trend when compared to government benchmarks, with improvements over AES 2016. The most notable challenge reported was around the sentiment that pay raises are not based on performance.

²² *How Diversity Can Drive Innovation*, Sylvia Ann Hewlett, Melinda Marshall, Laura Sherbin, Harvard Business Review, December, 2013.

²³ For more information on the Bureau's 2017 AES results, see <https://www.consumerfinance.gov/data-research/research-reports/2017-cfpb-annual-employee-survey-results/>.

²⁴ The Bureau named its survey the AES; it is called Federal Employee Viewpoint Survey by OPM. https://www.fedview.opm.gov/2017FILES/2017_FEVS_Gwide_Final_Report.PDF

The AES measures inclusion through the use of the IQ, a subset of 20 survey items that focuses on employees' perception of, and experience in the workplace. The IQ consists of five aspects of inclusion: Fair, Open, Cooperative, Supportive, and Empowering. These five areas are defined as follows²⁵:

- **Fair:** perception of fairness in performance evaluation, rules and procedures.
- **Open:** extent to which diversity and inclusion are promoted by the agency and/or managers.
- **Cooperative:** extent to which managers promote communication and support collaboration.
- **Supportive:** management and leadership style of managers.
- **Empowering:** employees' participation in decision-making.

In all four years (2017, 2016, 2015, and 2014) in which the Bureau included all 20 questions on the IQ, results have exceeded the government-wide results on all of the five indices. In 2017, the Bureau's overall score on the IQ was close to thirteen percentage points (12.6 %) above the overall government-wide results.

In 2017, as in 2016, the Bureau's highest score for an individual index was on the "Supportive" index, 88.0%, an increase from 84.3% in 2016. Also as in past years, the 2017 "Fair" index continued to be an area of opportunity for the Bureau. At a score of 56.1%, the "Fair" index showed the largest increase in 2017, up 8.2% from 2016 when it was 47.9%. The "Fair" index continued to be the lowest government-wide score, (47%), and yet the Bureau scored 9 points higher than that. The "Open" index also had the largest increase (16.5%) over government-wide results. In summary, the Bureau has continued to outperform the government-wide averages on all indices of the IQ.

²⁵ Inclusion Quotient Results, pgs. 22 – 23, CFPB 2017 AES results, see <https://www.consumerfinance.gov/data-research/research-reports/2017-cfpb-annual-employee-survey-results/>.

Table 12 shows the results for the Bureau’s IQ 2017 compared to 2016 and to the government-wide results.

TABLE 12: THE BUREAU INCLUSION QUOTIENT²⁶

INCLUSION QUOTIENT INDICES	BUREAU 2017	GOV’T WIDE 2017	BUREAU 2016	GOV’T WIDE 2016
Inclusion Quotient	72.5%	59.9%	67.5%	58%
Fair	56.1%	47.0%	47.9%	44%
Open	76.0%	59.5%	69.7%	57%
Cooperative	71.5%	57.0%	68.8%	54%
Supportive	88.0%	76.6%	84.3%	75%
Empowering	71.0%	59.3%	66.6%	58%

As in past years, the Bureau used the AES results—including perceptions across demographic groups and the Inclusion Quotient—to analyze employee perceptions that inform strategies and programming to help ensure that all employees feel included.

The following groups are crucial to OMWI’s ongoing overall approach to ensuring the sustainability of the Bureau’s diversity and inclusion strategy. All groups work to embed diversity and inclusion into the organizational fabric of the Bureau:

- The Diversity and Inclusion Executive Advisory Council (EAC)
- The Diversity and Inclusion Council of Employees (DICE)
- The Workforce of the Future Committee (WFF)

²⁶ Inclusion Quotient Results, pgs. 22 – 23, CFPB 2017 AES results, see <http://www.consumerfinance.gov/data-research/research-reports/2016-cfpb-annual-employee-survey-results>.

- Employee Resource Groups (ERGs)

Diversity and Inclusion Executive Advisory Committee (EAC)

The EAC is a cross-divisional advisory group of senior leaders, including Associate and Deputy Associate Directors and Assistant and Deputy Assistant Directors. The EAC works to support the OMWI Director to help strengthen and integrate the Bureau's diversity and inclusion strategic plan into the CFPB's operational functioning and mission-related work. EAC members are proponents of diversity and inclusion and prioritize it in their work. EAC members serve a two-year term. In 2017, the second cohort of the EAC began its work under the following broad roles:

- *Advisory:* OMWI brings matters to the EAC members for their input based on their knowledge of the Bureau and their leadership roles in the organization. The EAC may be asked to review and recommend a position, policy or initiative presented by OMWI.
- *Informed Advocate:* OMWI shares information with EAC members to update them on new or ongoing projects and initiatives; to seek the EAC's assistance in championing and socializing new initiatives throughout the Bureau; or to help socialize a Bureau-endorsed position on a particular matter.

For example, the EAC has supported efforts to:

- Recruit and retain a diverse workforce reflecting the best talent;
- Communicate the Bureau's diversity and inclusion strategy and initiatives throughout the agency in order to help integrate them fully into the organization's day-to-day operations;
- Foster and model inclusion throughout the Bureau;
- Support opportunities for professional development.

Diversity and Inclusion Council of Employees (DICE)

In December 2017, DICE's first cohort of 17 employees concluded its two-year term. DICE is a diverse group of about 20 employees that operates as a staff-level volunteer body from across the Bureau. DICE provides employee perspectives on the Bureau's diversity and inclusion efforts, works with OMWI on diversity and inclusion initiatives, and provides a peer leadership opportunity for Bureau employees.

DICE members serve as OMWI ambassadors who collaborate with leaders of Workforce of the Future (WFF), the EAC, the National Treasury Employees Union (NTEU), and other Bureau stakeholders on D&I. DICE members offer recommendations about projects to advance D&I at the Bureau, work on various projects to increase employee engagement, and have received professional development training on D&I topics, such as unconscious bias and conflict resolution.

A leadership core of co-chairs, a vice chair, and a recording secretary manage overall operations for DICE, which also has working groups that focus on issues such as recruitment, retention, promotions and employee engagement.

DICE worked on a number of projects in 2017, including an enhanced Recruiting Ambassador Program, an internal awareness campaign that provides information about federal student loan repayments, and an “I am CFPB” photo poster campaign to highlight the diversity within the Bureau. In addition, DICE organized and hosted CFPB Career Day, where undergraduate and graduate students from D.C.-area schools learned about careers in the six Bureau Divisions.

Other activities included development of recommendations related to recruitment, retention, and promotions; speaking to Bureau employees about D&I, and sharing their perspectives with the Bureau Director on ways to improve and sustain diversity and inclusion at the Bureau; published articles in internal newsletters on the importance of D&I; and serving as diversity and inclusion advocates by representing the Bureau at diversity and recruitment conferences in several locations across the United States.

Workforce of the Future Committee (WFF)

WFF, a cross-Bureau working group, promoted diversity and inclusion, as well as EEO compliance and early conflict resolution, by bringing together leaders and staff from a number of offices in order to build and maintain an inclusive culture that empowers everyone to do their best work. WFF promotes four cultural workplace “norms” for the Bureau. They are as follows:

1. Valuing D&I;
2. Treating each other as partners, not adversaries;
3. Being disciplined in how decisions are made and priorities are set; and
4. Holding ourselves and each other accountable for these norms.

The norms underscore the importance of inclusive interactions between and among employees and help enhance the Bureau's workplace culture.

In 2017, WFF held a Bureau-wide Norms Voting Challenge. The ballot asked voters to choose up to three ideas that best support the practice of the four norms in the Bureau's daily work. Seventy-five percent of the Bureau voted, and once the ballots were tabulated, WFF distributed "tip cards" to help staff practice the voting challenge result behaviors, which were:

1. Ask questions to understand others' intent;
2. At the end of a meeting, use the WWW rule: Ask "Who does What by When?"
3. During discussions, ask for perspectives not shared; and
4. Give your full attention in meetings – put your phone away.

In addition, "badge buddie" cards were distributed that affix to government badges and provide a quick reference for remembering the norms. Periodic outreach sessions afforded employees an opportunity to provide feedback and recommendations that will continue to improve WFF's efforts. Attending to WFF norms serves to remind employees at all levels that consistent practice of Bureau norms will help everyone to feel valued, heard, and respected, as well as to maintain the type of innovative and productive environment that provides the best service to the American public.

Employee Resource Groups (ERGs)

The Bureau's two established ERGs, the Latino employees interest group Adelante and LGBTQ employees interest group, CFPB Pride, met regularly to network, plan and host events, and participate in community initiatives. The Bureau's ERGs are valuable for raising cultural awareness and can also be an effective tool for leadership to advance the Bureau's mission, as well as its diversity initiatives. As interest-based groups, ERGs assist the Bureau in understanding and considering broad perspectives in providing service to the diverse spectrum of consumers. ERGs also serve as a vehicle for networking, recruiting, and retaining a diverse workforce.

In 2017, Adelante hosted a trailblazer event to kick off Hispanic-Latino Heritage Month featuring the Bureau's Anthony Rodriguez, Senior Counsel for Consumer Reporting for Supervision Policy; a *cafecito*, or coffee, to share internal perspectives on financial education in the Latino community; and a *cafecito* with women of color, which showcased female leaders

from across the Bureau who discussed workplace diversity, professionalism, leadership, and navigating the work/life balance.

CFPB Pride participated in the annual Capital Pride Parade with LGBTQ2S and allied federal employees; attended the LGBT Federal Financial Regulators Networking Event; and hosted a Pride happy hour during the Bureau's All Hands meeting in July.

The Bureau's newest ERG, RISE (Relate, Inspire, Serve, Empower), formed in late 2017, and will focus on the interests of African American employees.

The Bureau and its employees also benefited from the following inclusion-focused initiatives, which continued in 2017 to support the Bureau's diversity and inclusion priorities:

- OMWI continued to provide consultation to Divisions in setting objectives and performance measures for their diversity and inclusion goals in their divisional strategic plans. In support of these measures, OMWI offered training to help Division members strengthen skills needed in a diverse and inclusive workplace.
- The Bureau began to implement requirements for all employees to demonstrate core diversity and inclusion behaviors. Specifically, all employees are expected to show that they can model inclusive communications and build inclusive relationships. Outlining these expectations ensures that D&I is incorporated into the standards of professionalism the Bureau expects from employees and managers.
- OMWI and OCR worked collaboratively with OHC to further enhance the OHC-led supervisory and employee training, focusing on supervisory development seminars, which included various D&I and compliance topics, leadership effectiveness seminars, and structured interview training.
- OMWI and OHC provided outreach to and engagement with professional organizations that represent veterans, disabled veterans, Hispanics and other minority constituencies. This included attending career fairs and professional association meetings throughout the year to engage and provide information about the Bureau, as well as employment opportunities. Bureau vacancies were also posted on electronic bulletin boards geared toward those groups of professionals.
- The Bureau organized and hosted a number of cultural events in recognition of various heritage months throughout the year as part of its ongoing efforts to increase awareness

of employees' cultural backgrounds and to foster inclusion across the agency. These events featured a wide range of speakers and presentations, some of which discussed the Bureau's work and its impact on the highlighted communities. These events were organized and hosted by the Culture Team, the External Affairs Division, OCR, and OMWI. A listing of events is included in Appendix B.

3.1 Training and leadership development

The Bureau provided diversity and inclusion training to managers and non-supervisory employees as part of the Bureau's strategy to ensure that the workplace is diverse and inclusive.

MANAGING DIVERSITY AND INCLUSION FOR SUPERVISORS AND MANAGERS

Beginning in CY2015, the Bureau's Director required managers and leaders to attend an OMWI workshop titled, "Leading Diversity and Inclusion at the Bureau." The training focuses on providing managers with the knowledge, awareness, and skills necessary to navigate differences in experiences, backgrounds, and culture when formulating or evaluating supervisory processes, actions, and decision-making. The workshop format is for small groups to allow for interaction between participants. In 2017, 71 supervisors and managers completed the training; approximately 246 current supervisors completed it from 2015 through 2017 with a completion rate of 81.27 % of current supervisory employees. The remaining managers will complete the workshop by mid-2018.

DIVERSITY AND INCLUSION AWARENESS TRAINING FOR NON-SUPERVISORY EMPLOYEES

Since Fall 2012, OMWI has been offering a workshop to employees to help increase awareness of the value and importance of D&I and to develop a shared understanding of the ways in which the diversity and inclusion strategy contributes to the Bureau's mission. As of year-end 2017, 1,046 (76.63%) of all current employees have completed the training and the remaining employees are expected to complete it by mid- FY 2018.

OTHER DIVERSITY AND INCLUSION TRAINING

OMWI, in collaboration with OCR, provided various seminars on D&I, including such topics as "Authenticity in the Workplace," "Across the Ages: Generations Working Together," and "Building Meaningful Business Relationships Across Difference."

Also in FY 2017, OCR's Alternative Dispute Resolution (ADR) Program provided "Crucial Conversations" training to approximately 138 managers and employees to better equip individuals with the skills they need to have important conversations when the stakes are high.

MANDATORY 2-DAY MANAGER EEO TRAINING AND 8-HOUR REFRESHER COURSE

This mandatory training, led by the EEOC Training Institute, helped managers to strengthen their skills in addressing EEO and compliance matters in the workplace. A total of 37 supervisors and managers completed the training in FY 2017, for a total of over 258 to date.

LEADERSHIP DEVELOPMENT

OHC provided three broad categories of leadership development: the Leadership Excellence Seminars (LES) series, the Supervisory Development Seminars (SDS) programs, and individual coaching through Executive Coaching. The leadership development training programs are mandatory for all supervisors, managers, and senior leaders, and the Executive Coaching offering is optional (available to executives and managers of managers). OMWI worked with OHC in the development of these training programs to ensure that D&I content was infused throughout.

As of the end of FY2017, over 78% of all managers had completed all eight modules of the LES training, and it will continue in FY 2018 to include remaining managers and new managers.

The SDS is a three-day, mandatory training for all Bureau supervisors. It covers leading people, making the transition to supervisor, human resources technical knowledge, performance management, and addressing performance problems and conduct issues. It also incorporates a module, presented by OMWI and OCR, on understanding and mitigating unconscious bias in the performance evaluation process and includes sample case studies, tips for managers to identify their own potential biases, and tools for further learning. To date, 97.8% of all managers had completed the training, 46 of whom were trained in FY 2017. This training program will also continue in FY 2018 and will be on-going for any newly hired or newly promoted Bureau managers.

3.2 Performance management

In 2014-2015, the Bureau developed a working group of employees and managers to focus on establishing an effective performance management system. The resulting multi-year phased implementation of program changes has allowed Bureau supervisors and team members the necessary time to learn about new program features and to grow in their skills related to performance measurement and the giving and receiving of healthy performance feedback. Some of the key changes as part of the phased implementation include:

- Performance standards, customized by job and pay band, include: behaviors that represent an inclusive workplace, effective management of a diverse workplace, and management accountability related to compliance with rules and policies related to maintaining a collaborative and inclusive work environment.
- Coaching discussions, which use standardized questions to reflect on accomplishments, explore how to apply learning, and consider developmental opportunities, were introduced in the Bureau's FY2016 Year-End Performance Summary Discussion and were integrated into mid-year coaching discussions and the employee self-assessment in 2017.

To date, the Bureau has seen improvements in employee perceptions of performance management and feedback, as evidenced by its AES scores in 2016 and 2017, compared with those in 2012-2013. Sample survey items, related to performance management, with notable increases in positive employee sentiment include:

- *"My performance appraisal is a fair reflection of my performance."* Eighty percent of Bureau employees concur with this sentiment (compared with 71% government-wide); this item increased by 20 percentage points since 2013, with an increase of 7 percentage points from 2016 to 2017.
- *"I know what is expected of me on the job."* Eighty-seven percent of Bureau employees concur with this sentiment (compared with 80% government-wide); this item has increased by 17 percentage points since 2012, with an increase of 3 percentage points from 2016 to 2017.

- *“Discussions with my supervisor about my performance are worthwhile.”* Seventy-six percent of employees concur with this sentiment (compared with 65% government-wide); this item has increased by 12 percentage points since 2012, with an increase of 3 percentage points from 2016 to 2017.

Looking ahead, the Bureau intends to continue pursuing positive year-over-year trends with respect to performance management program outcomes and compliance. In 2019, the Bureau will conduct another evaluation study, and in 2020, will reconvene the Performance Management Working Group.

4. Supplier diversity²⁷

Under [Section 342](#) of the Dodd-Frank Act, OMWI is required to implement standards to increase participation of minority-owned and women-owned businesses in the programs and contracts of the agency, including standards for coordinating technical assistance to such businesses. In FY 2017, the Bureau entered into 1,401 contract actions, totaling approximately \$170 million. Of the total contract dollars awarded in FY17, 30.7% went to MWOBs.

The Bureau's supplier diversity activity increased markedly in 2017 as a result of acquisition inclusion policy, inclusion publications, consumer-friendly forms, and the contract forecast section of the "Doing Business with the CFPB" webpage.

OMWI worked with the Procurement to create a structured framework to identify opportunities for MWOB inclusion. The process involved updating several acquisition documents and publications; the Bureau's acquisition planning procedural guide; business inclusion form; and the publication, Guide to Doing Business with the CFPB. Collectively, these actions standardized MWOB inclusion processes at the Bureau.

OMWI continued its work with Procurement to raise awareness externally among current vendors about the Bureau and its partnership opportunities as well as internally among employees about the availability and capability of MWOBs. The Bureau also participated in supplier diversity conferences and engaged in matchmaking events in order to increase vendor technical assistance and knowledge of the Bureau's procurement procedures.

²⁷ All Supplier Diversity data are reported for FY 2017, unlike Workforce and Workplace Inclusion data, which are for CY 2017.

Table 13 provides a breakdown of contract dollars obligated for women and minority-owned businesses for the past four years. In FY 2017, the Bureau entered into contract actions totaling \$169,441,229, down by \$20,438,929 from obligations of \$189,880,158 in FY 2016. Of those obligations, 30.69% were with women- and minority-owned businesses. This percentage continued the upward trend of contracting with MWOBs, from FY 2015 (11%) to FY 2014 (26.24%). Awards to each identified minority group also increased from FY 2016 to FY 2017 except awards to African-American owned businesses, which decreased from 3.36% to 1.44%. To increase engagement with those businesses moving forward, OMWI and Procurement plan to participate in two events with a significant African-American presence: the National Minority Supplier Development Council (NMSDC) Annual Conference and Business Opportunity Fair; and the National 8 (a) Small Business Conference.

TABLE 13: OVERALL MINORITY-OWNED AND WOMEN-OWNED BUSINESS (MWOB)²⁸ CONTRACTS BY OBLIGATION DOLLARS FOR FISCAL YEARS 2014 – 2017

TYPE OF VENDOR	FY 2017	FY 2016	FY 2015	FY 2014
Total Obligated Dollars	\$169,441,229	\$189,880,158	\$244,164,184	\$151,024,453
% of Total	100%	100%	100%	100%
MWOB	\$51,995,823	\$49,830,656	\$26,388,324	\$31,713,034
% of Total	30.69%	26.24%	11.00%	21.00%
Women Owned (WO)	\$20,248,894	\$16,606,582	\$12,762,670	\$15,376,560
% of Total	11.95%	8.75%	5.00%	10.00%
Minority Owned (MO)	\$39,028,281	\$33,224,074	\$21,424,081	\$21,646,173

²⁸ MWOB: Minority-Owned, Women-Owned or Both also include self-certified small disadvantaged businesses. Note: Contracting Awards represent the total obligation dollars and contract actions during the given year. Federal Procurement Data System (FPDS) combines classification for Asian and Pacific Islander owned businesses. FPDS data was collected on 1/26/2018. Some actions may fall into more than one category. Women/Minority includes all women and/or minority-owned businesses, with each action counted once regardless of falling into multiple categories.

TYPE OF VENDOR	FY 2017	FY 2016	FY 2015	FY 2014
% of Total	23.03%	17.50%	9.00%	14.00%
Asian American ²⁹	\$26,013,801	\$21,665,144	\$10,215,953	\$12,043,603
% of Total	15.35%	11.41%	4.00%	8.00%
African American	\$2,444,972	\$6,384,444	\$6,809,789	\$4,711,373
% of Total	1.44%	3.36%	3.00%	3.00%
Hispanic American	\$2,418,316	\$2,663,624	\$2,281,320	\$540,295
% of Total	1.43%	1.40%	1.00%	0.40%
American Indian/ Alaska Native	\$2,462,384	\$56,623	\$518,500	\$664,808
% of Total	1.45%	0.03%	0.20%	0.40%
Other Minority	\$495,572	\$2,454,237	\$955,580	\$2,570,951
% of Total	0.29%	1.29%	0.40%	1.70%

The total number of actions obligated in FY 2017 was 1,401, down by 37 from 1,364 in FY 2016, as indicated in Table 14. There was an increase in the total percentage of actions with MWOBs (up 12.45 percentage points) and with minority-owned businesses (MOB) (up 9.32 percentage points). For women-owned businesses, the percent of actions decreased slightly from 22.65% in FY 2016 to 21.41% in FY 2017.

²⁹ Includes Subcontinent Asian (Indian) and Pacific Islander

TABLE 14: OVERALL MINORITY-OWNED AND WOMAN-OWNED BUSINESS CONTRACTS BY TRANSACTION COUNT FOR FISCAL YEARS 2014 – 2017

TYPE OF VENDOR	FY 2017	FY 2016	FY 2015	FY 2014
Total Actions	1401	1364	1450	1247
% of Total	100%	100%	100%	100%
MWOB	501	318	438	355
% of Actions	35.76%	23.31%	30.00%	28.00%
Women Owned (WO)	300	309	323	253
% of Actions	21.41%	22.65%	22.00%	20.00%
Minority Owned (MOB)	334	198	264	201
% of Actions	23.84%	14.52%	18.00%	16.00%
Asian American/ Pacific Islander	115	20	46	25
% of Actions	8.21%	1.47%	3.00%	2.00%
African American	68	60	91	76
% of Actions	4.85%	4.40%	6.00%	6.00%
Hispanic American	57	57	35	19
% of Actions	4.07%	4.18%	2.00%	1.50%
American Indian/Alaska Native	7	1	4	2
% of Actions	0.50%	0.07%	0.30%	0.20%
Other Minorities	19	60	20	21
% of Actions	1.36%	4.4%	1.00%	1.70%

Table 15 shows the breakdowns of contract dollars awarded for FY 2014 through FY 2017 to small and disadvantaged businesses; women-owned small businesses; service-disabled, veteran-owned small businesses; and HUB Zone businesses.

To ensure that small businesses are encouraged to receive a portion of federal procurements, the Federal Acquisition Regulations (FAR) established annual goals that 23% of Federal procurement dollars should be directed toward different socioeconomic categories of small businesses. The Bureau, in an ongoing commitment to promoting small businesses, has individually set a higher goal than required under the FAR, of 28.5% for small business procurement awards. In FY 2017, the Bureau exceeded its own goal by awarding nearly 30% of all contracts to small businesses. As shown in Table 16, the Bureau contracted \$50,387,626 to small businesses, a total representing 29.99% of all Bureau contract awards. This was a 3.37 percentage point increase from amounts awarded in FY 2016.

TABLE 15: OVERVIEW OF SMALL BUSINESS AWARDS FOR FISCAL YEARS 2014-2017

TYPE OF VENDOR	FY 2017	FY 2016	FY 2015	FY2014
Small Business Total	\$50,387,626	\$50,555,855	\$40,051,121	\$45,431,232
% of Total Obligations	29.99%	26.62%	16.00%	31.00%
Small Disadvantaged Business	\$16,776,119	\$16,630,151	\$12,041,674	\$14,157,591
% of Total	9.99%	8.76%	5.00%	10.00%
Women Owned Small Business	\$20,057,908	\$17,848,435	\$12,726,829	\$15,328,669
% of Total	11.94%	9.38%	5.00%	10.00%
Service Disabled Veteran Owned Small Business	\$6,455,762	\$4,087,779	\$5,544,318	\$5,167,743
% of Total	3.84%	2.15%	2.00%	3.00%
HUB Zone Small Business	\$3,393,910	\$3,711,700	\$2,029,328	\$2,889,320
% of Total	2.02%	1.95%	1.00%	2.00%

In FY 2017, the Bureau’s total contracting spend was \$468,861,294, of which \$43,234,688 (9.2%) was spent with minority-owned and/or women-owned businesses as shown in Table 16. Amount of spend with women-owned businesses was \$15,726,118 (3.4%) and with minority-owned businesses was \$35,136,973 (7.5%).

TABLE 16: OVERVIEW OF SPEND FOR ALL MINORITY AND WOMEN OWNED BUSINESSES

CONTRACTING SPEND	FY2017	% OF TOTAL SPEND
Total Spend All Vendors	\$468,861,294	
MWOB	\$43,234,688	9.2%
Women Owned Business	\$15,726,118	3.4%
Minority Owned	\$35,136,973	7.5%
Asian/Pacific Islander	\$25,410,995	5.4%
African American	\$4,520,287	1.0%
Hispanic	\$1,851,652	0.4%
American Indian Alaska Native	\$414,026	0.1%
Other Minorities	\$893,706	0.2%

As shown in Table 17, the money spent with small businesses in FY 2017 was \$43,732,779, 9.3% of all contract spending, of which \$13,305,285, or 2.8%, was spent with small disadvantaged businesses.

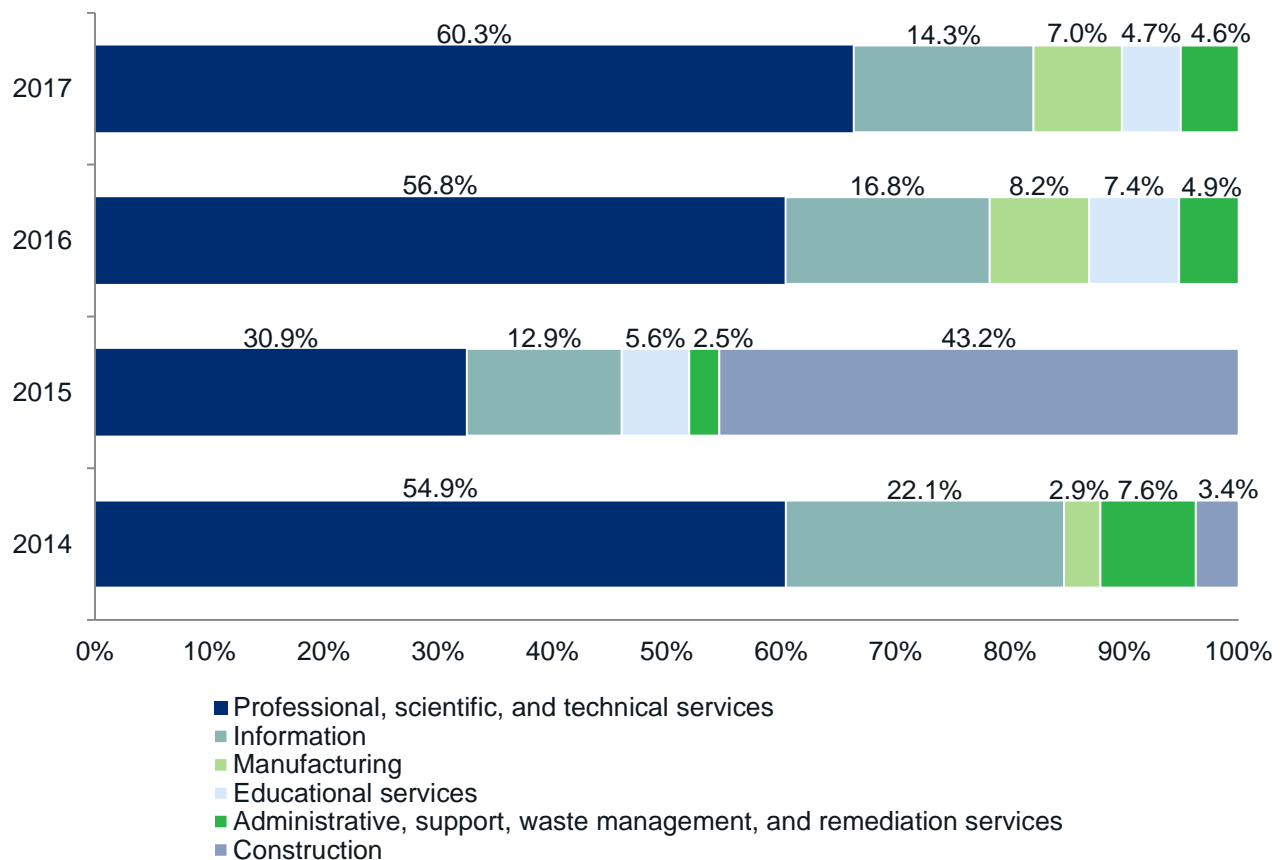
TABLE 17: OVERVIEW OF SPEND FOR ALL SMALL BUSINESSSES

CONTRACTING SPEND	FY 2017	% of TOTAL SPEND
Small	\$43,732,779	9.3%
Small Disadvantaged	\$13,305,285	2.8%
Women Owned Small	\$15,554,777	3.3%
Service-Disabled Veteran Owned Small	\$9,384,058	2.0%

CONTRACTING SPEND	FY 2017	% of TOTAL SPEND
HUB Zone	\$2,768,999	0.6%

As shown in Figure 1, over half of the total obligations made in FY 2017 were in Professional, Scientific & Technical Services. In FY 2017, Information had the second largest amounts obligated. Over half of the total obligations made in FY 2017 were in Professional, Scientific & Technical Services. The two largest contracts in this grouping were for approximately \$34.6 million for other computer-related services and approximately \$24.9 million for administrative management and general management consulting services. In FY 2017, Information had the second largest amounts obligated with a total of \$23.2 million.

FIGURE 1: PERCENTAGE OF TOTAL OBLIGATIONS BY NAICS CODE GROUPING FOR FISCAL YEAR 2017-2014



The Bureau's OMWI is a member of an interagency working group of OMWI staffs. The collaborative nature of the working group has allowed the Bureau's OMWI to grow its program by adopting best practices and sharing research and resources. Examples include: participating in industry-specific technical assistance panels with OMWI offices and co-hosting joint industry day events with other agencies.

One of the key supplier diversity priorities continues to be familiarizing minority-owned, women-owned and other disadvantaged businesses with the Bureau's procurement policies and with information on opportunities for doing business with the Bureau. To address that priority, OMWI has developed an outreach program for the vendor community, and has begun to build relationships with prospective vendors. Components of the program include:

- Establishing and developing relationships with key business stakeholders, industry groups, and trade groups;
- Speaking on panels, attending supplier diversity events, and co-locating with other federal partners at events when available;
- Distributing literature and educational materials aimed at minority-owned and women-owned businesses;
- Collaborating with the Office of Procurement on a series of outreach events focused on minority-owned and women-owned businesses; and
- Establishing recurring Supplier Diversity Procurement workshops to assist MWOBs seeking opportunities with the Bureau.

A comprehensive list of the organizations that OMWI engaged with is included in Appendix C.

5. Inclusion in business activities

Under Section 342 of the Dodd-Frank Act, OMWI is responsible for all matters of the agency relating to diversity in management, employment, and business activities. OMWI is also required to ensure to the maximum extent possible, the fair inclusion and utilization of minorities, women, and minority-owned, and women-owned businesses in all business and activities of the agency at all levels, including in procurement, insurance, and all types of contracts.

5.1 Education & engagement

OMWI works collaboratively with the Consumer Education and Engagement Division and the Bureau's External Affairs Division to engage regularly with community-based, civil rights, industry, academic, and regulatory organizations—including those serving women and minority communities. Roundtable discussions, listening sessions, training sessions, and attendance at conferences are all ways the Bureau engages with communities to gain insight and feedback on Bureau initiatives, which also helps to fulfill the objectives of OMWI and the Bureau.

5.2 Contracts

Under section 342 (c) (3), the OMWI Director must develop standards and procedures to make a determination whether an agency, contractor, and, as applicable, a subcontractor has failed to make a good faith effort to include minorities and women in their workplace.

The Bureau developed a contract clause to be put in its contracts to ensure contractors and subcontractors are aware of this statutory obligation. The Bureau has also developed processes

to evaluate the efforts of contractors and subcontractors to utilize minorities, women, and MWOBs in their workforces. A streamlined form for contractors to use to submit necessary information will be made available to contractors and subcontractors to ease the submission process to the Bureau. OMWI also participates in an interagency working group to share best practices in this area.

6. Regulated entities

Under Section 342 (b) (2) (c) of the Dodd-Frank Act, the OMWI Director “shall develop standards for assessing the diversity of policies and practices of entities regulated by the [Bureau].” Toward that goal, the Bureau’s OMWI participated in an interagency working group of OMWI offices and developed a joint policy statement on assessing the diversity practices and policies of regulated entities.

The final policy statement was published in the Federal Register on June 10, 2015. In 2017, the Bureau’s OMWI continued to engage in initiatives related to the standards.³⁰ The work included:

- Creating a self-assessment tool that will be available to entities in 2018 to facilitate the process for entities to voluntarily self-assess their diversity and inclusion policies and practices, and
- Meeting with key industry stakeholders.

As an example, the Bureau’s OMWI partnered with mortgage industry organizations to host three roundtable listening sessions with members of the mortgage industry in order to continue to learn more about their experiences, practices, and challenges with D&I management practices. The roundtables were attended by approximately 40-45 variously-sized organizations within the mortgage industry. The meetings were designed to provide an opportunity for participants to exchange ideas with each other and to learn about common practices that

³⁰ <https://www.federalregister.gov/documents/2015/06/10/2015-14126/final-interagency-policy-statement-establishing-joint-standards-for-assessing-the-diversity-policies>

currently exist in the mortgage industry to further their own diversity and inclusion efforts.

APPENDIX A:

Recruitment outreach

TABLE 18: UNIVERSITY RECRUITMENT

2017 College, University and Graduate School Recruiting

American University

Atlanta University Center Consortium (Morehouse, Spelman, Clark Atlanta) – Atlanta, GA

Arizona State University

Barnard College

Brown University

University of California – Berkeley

University of California – Fullerton

University of California – Irvine

University of California – Los Angeles

University of California – Riverside

University of Southern California

Carnegie Mellon University

University of Chicago

Claremont Graduate University

Columbia University

Duke University

Florida International University

Gallaudet University

2017 College, University and Graduate School Recruiting

George Mason University

George Washington University

Georgetown University

Hampton University

Harvard University

University of Houston

Howard University

Johns Hopkins University

William E. Macaulay Honors College at CUNY

University of Maryland

University of Michigan

Michigan State University

Morgan State University

New England Liberal Arts Colleges 19th Annual Fall Recruiting Consortium – New York, NY

New York University

University of North Carolina – Chapel Hill

Northwestern University

University of Pennsylvania

Princeton University

Stanford University

University of Virginia

College of William & Mary

Yale University

The Bureau also engages in extensive outreach for experienced professionals and experts and utilizes the broad reach of professional organizations to access potential candidates. In 2017, the Bureau attended the following recruiting events:

- Association of Latino Professionals in Finance & Accounting (ALPFA) Southeastern Region Student Symposium Career Fair – Atlanta, GA
- ALPFA Central Student Symposium Career Fair – Chicago, IL
- ALPFA Northwestern Region Student Symposium Career Fair – Seattle, WA
- Office of Personnel Management (OPM) 2017 PMF Job Fair – Online
- OPM Adelante 2nd Annual Student Forum & Career Fair – Washington, DC
- The Latin and Black MBA Associations of the Robert H. Smith School of Business Service Academy Career Conference – College Park, MD
- Equal Opportunity Publications, EOPS Stem Diversity Career Expo – Washington, DC
- Public Policy and International Affairs Program (PPIA), 2017 Public Service Expo – Washington, DC
- National LGBT Bar Association, Lavender Law Conference & Career Fair – San Francisco, CA
- National Association of Black Accountants (NABA) – 5th Annual NABA Metro DC Chapter Corporate Breakfast
- National Association of Black Accountants (NABA) – Southern Region Student Conference
- Bureau OMWI Career Day – Washington, DC
- Liberal Arts Recruiting Connection (LARC) Job Fair & Interview Program – Boston, MA
- AmeriCorps/VISTA, Federal Career Fair – Washington, DC

APPENDIX B:

Heritage months diversity events

TABLE 19: HERITAGE MONTH AND DIVERSITY EVENTS

Heritage Month and Diversity Events	Date
Black History Month: featuring U.S. Representative Emanuel Cleaver II, Missouri's 5 th Congressional District	February 2017
Women's History Month: featuring Kia Meredith-Caballero, film producer at the Smithsonian National Museum of African American History and Culture	February 2017
World Day for Cultural Diversity: A day to learn about and celebrate the cultures of Bureau employees	May 2017
Caribbean American Heritage Month: A cultural celebration to educate about the Caribbean region and its role in American History	June 2017
Hispanic-Latino Heritage Month Trailblazer Event: featuring Anthony Rodriguez, Bureau Acting Assistant Deputy for Consumer Reporting in Supervision Policy	September 2017
Bureau Division of Supervision, Enforcement & Fair Lending, Southeast Region: Hispanic-Latino Heritage Month event	September 2017
Bureau Division of Supervision, Enforcement & Fair Lending, West Region: Diversity Event highlighting diversity of regional staff members	September 017
Bureau Division of Supervision, Enforcement & Fair Lending, Midwest Region: Diversity Event featuring Stuart Ishimaru, OMWI Director	October 2017

APPENDIX C:

Supplier diversity outreach

- The Federal Reserve Board Vendor Outreach Fair – Washington, DC
- Annual Government Procurement Conference – Washington, DC
- Native American Contractors Association (NACA) Federal Contracting Policy & Advocacy Conference – Washington, DC
- National Contract Management Association World Congress 2017 – Chicago, IL
- National Minority Supplier Diversity Annual Conference – Detroit, MI
- Women’s Business Enterprise National Council (WBENC)– Las Vegas, NV