

November 2016

# CFPB Diversity and Inclusion Strategic Plan 2016-2020

# Message from Richard Cordray

Director of the CFPB



At the Consumer Financial Protection Bureau (CFPB), we are dedicated to making sure consumers are treated fairly in the financial marketplace. To serve the interests of consumers in America, it is essential that we understand their varying perspectives and interests. In order for the Bureau to achieve our goals, we must promote diversity and inclusion within our own workplace and in the suppliers we do business with, and assess and strengthen it within the financial institutions we regulate.

We are focused on promoting diversity and inclusion not only in hiring and contracting, but also in matters of our culture and the career development of our colleagues. Our goal is to create a workplace where we can do our best work individually and collectively to improve the lives of consumers across this country. Diverse backgrounds, perspectives, and experiences are critical in carrying out our mission.

This document is an update to the Bureau's 2016-2020 diversity and inclusion strategic plan and represents our best efforts to improve our diversity and inclusion at CFPB. In the pages that follow, we have outlined our diversity and inclusion goals and priorities, and the specific actions that will support them. We have set high standards for ourselves and our work, and meeting these standards across the board requires commitment at the highest levels, beginning with me as the head of the agency.

I look forward to working together with all CFPB employees to continue to develop an environment where we recognize how our own backgrounds, experiences, and values influence interactions with others, and in which we solicit, consider, and integrate diverse perspectives and viewpoints including those that challenge the status quo. Together, we can all serve American consumers.

Sincerely,

A handwritten signature in blue ink that reads "Richard Cordray". The signature is written in a cursive, flowing style.

Richard Cordray

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# 1. CFPB Mission and Vision Statement

The CFPB helps consumer finance markets work by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives. If we achieve our mission, then we will have encouraged the development of a consumer finance marketplace:

- *Where customers can see prices and risks up front and where they can easily make product comparisons;*
- *In which no one can build a business model around unfair, deceptive, or abusive practices;*
- *That works for consumers, responsible providers, and the economy as a whole.*

## 1.1 CFPB Diversity and Inclusion Vision Statement

The CFPB developed the following vision statement to help guide the Bureau's diversity and inclusion strategy and to ensure these principles are incorporated in our work and in our work environment:

- *We value diversity and inclusion and drive innovation by leveraging the talents and perspectives of the CFPB's diverse workforce and stakeholders to best protect the financial interests of all consumers.*

The CFPB uses the following definitions for diversity and inclusion:

- **Diversity:** the range of differences including backgrounds, identities (including but not limited to, race, ethnicity, age, sexual orientation, disability, gender, gender identity, religion, disability, and sex), perspectives, and working styles that employees and stakeholders bring to the CFPB to better serve consumers.
- **Inclusion:** the process of fostering a collaborative, flexible, and fair environment where all employees feel valued and empowered to share their views and ideas to inform the CFPB's work, and which allows us to leverage the broad talents of our diverse workforce.

To accomplish its mission to make financial products and services work effectively for consumers, the Bureau must recruit, hire, train, and develop an effective and capable workforce. Since its creation, the Bureau has cultivated a highly collaborative culture that effectively deploys interdisciplinary expertise through cross-functional teams. In order to fully realize the benefits of this diversity and ensure fairness to employees, the Bureau must foster an inclusive culture in which diverse viewpoints are integrated to evaluate and address issues facing the many diverse consumers in the financial marketplace.

## 2. Diversity and Inclusion Strategic Plan

The Diversity and Inclusion Strategic Plan covers five years, FY 2016-2020, and will guide CFPB's efforts in promoting diversity and inclusion in its workforce, its supplier diversity, and its work to promote diversity among regulated entities. Since its creation, the CFPB has worked to build our diversity and inclusion strategy and initiatives to reflect the importance we place on diversity and inclusion, and in order to implement statutory requirements. The Bureau has strategically identified goals and designed approaches to ensure continued innovation to advance diversity and inclusion.

Based on Executive Order 13583, the Government-Wide Diversity and Inclusion Plan developed by the Office of Personnel Management (OPM), existing regulations and guidance from the Equal Employment Opportunity Commission (EEOC), and section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Diversity and Inclusion Strategic Plan is built around six pillars:

- **Workforce Diversity:** The CFPB will recruit from a diverse group of potential applicants to develop a high-performing workforce drawn from all segments of American society.
- **Workforce Inclusion:** The CFPB will cultivate a culture that encourages collaboration, flexibility, and fairness to enable individuals to contribute to their full potential and further retention.
- **Sustainability:** The CFPB will develop strategies and processes to promote a workplace culture that values diversity and inclusion and that will equip leaders with the ability to manage diversity, articulate expectations for accountability, measure results, and adjust and refine approaches on the basis of collected data.

- **Minority and Women Owned Businesses:** The CFPB will increase opportunities for women-owned and minority-owned businesses.
- **Diversity Practices of Regulated Entities:** The CFPB will provide a framework for regulated entities to build and strengthen their diversity policies and programs.
- **Employment Practices of Regulated Entities:** Through the OMWI office, use good faith effort (GFE) standards developed under Dodd-Frank Act to determine efforts of Bureau contractors to utilize women and minorities in their workforces.

Each of these six goals is supported by priorities and actions specific to the CFPB's culture and capabilities.

## 2.1 Goal 1 – Workforce Diversity

The CFPB will recruit from a diverse group of potential applicants to develop a high-performing workforce drawn from all segments of American society.

### 2.1.1 Priority 1.1: Design and perform strategic outreach and recruitment to reach all segments of society.

- *Action 1: Collect and analyze applicant flow data.*
  - Collect and analyze applicant flow data for the CFPB workforce on an annual basis to inform and guide recruitment efforts and selection practices.
- *Action 2: Coordinate outreach and recruitment strategies to maximize ability to recruit from a diverse, broad spectrum of potential applicants, including a variety of geographic regions, academic sources, and professional disciplines.*
  - Develop an integrated, CFPB-wide approach for outreach and recruitment that identifies diverse sources of potential candidates for CFPB openings.
  - Ensure recruiting and digital outreach events target a diverse group of candidates, including women and minority candidates.
  - Advertise internal vacancies to a wide audience within the CFPB.

- Employ promotion and internal hiring processes that ensure fair and consistent treatment of CFPB candidates.
- Train CFPB officials involved in the internal and external placement and/or promotion of employees to be aware of and avoid bias.
- *Action 3: Ensure that outreach and recruitment strategies are designed to draw from all segments of society (including those who are underrepresented), include the use of staffing flexibilities and alternative hiring authorities.*
  - Expand knowledge of staffing flexibilities and alternative hiring authorities by training hiring managers and integrating the promotion of hiring flexibilities into the CFPB's hiring processes and workflows.
- *Action 4: Develop strategic partnerships with a diverse range of colleges and universities, trade schools, apprentice programs, and affinity organizations from across the country.*
  - Continue to cultivate relationships with diverse groups, including colleges, universities, and professional and affinity organizations, in order to support the CFPB's efforts to enhance diversity and inclusion.
- *Action 5: Involve managers and supervisors in recruitment activities and take appropriate action to ensure that outreach efforts are effective in addressing barriers.*
  - Continue to ensure that managers, supervisors, and staff from business units throughout the CFPB engage in outreach activities, including professional conferences.
- *Action 6: Review and ensure that student internship and fellowship programs have diverse pipelines to draw candidates from all segments of society.*
  - Continually evaluate student internship, fellowship and other entry-level program offerings to ensure they are aligned with the Bureau's diversity and inclusion objectives, and that any barriers that affect diversity and inclusion are addressed.

## 2.1.2 Priority 1.2: Use strategic hiring initiatives for people with disabilities and for veterans, conduct barrier

analysis, and support Special Emphasis Programs (SEPs) to promote diversity within the workforce.

- *Action 1: Review results of barrier analyses required under the EEOC's Management Directive 715 (MD-715), develop action plans to eliminate any identified barrier(s), and coordinate implementation of action plans.*
  - Conduct barrier analyses as required under MD-715.
  - Develop action plans to address barriers and coordinate implementation throughout CFPB functions.
- *Action 2: Use Schedule A hiring authority for people with disabilities and Veteran Hiring Authorities as part of strategy to recruit and retain a diverse workforce.*
  - Continue to encourage the use of alternative hiring authorities, including Schedule A and Veterans Hiring Authorities, throughout the CFPB in order to increase options for hiring managers and enhance diversity and inclusion throughout CFPB.
- *Action 3: Support Special Emphasis Programs (SEPs) through resources such as Employee Resource Groups (ERGs), Diversity Council of Employees (DICE), and Culture Team (CT) and the Office of Civil Rights. Appoint collateral duty SEP Managers as advisors on hiring, retaining, and promoting a diverse workforce.*
  - Explore innovative models for programs that can provide advice on hiring, retaining, and promoting a diverse workforce for specific groups.

## 2.2 Goal 2 – Workplace Inclusion

The CFPB will cultivate a culture that encourages collaboration, flexibility, and fairness to enable individuals to contribute to their full potential and further retention.

## 2.2.1 Priority 2.1: Promote diversity and inclusion in leadership development programs.

- *Action 1: Review leadership development programs, determine whether existing programs draw from all segments of the workforce, and develop strategies to eliminate barriers where they exist.*
  - The CFPB has implemented and will continue to support and improve upon a portfolio of leadership development programs. Examples of implemented programs include:
    - Mandatory Supervisory Development Seminar for new supervisors.
    - Mandatory Leadership Excellence Seminars – training series for all levels of Bureau managers with topics selected based upon the most urgent management training needs within a given two-year period.
    - Additional optional external courses are available to target specific leadership skill gaps and areas of interest, in accordance with the CFPB leader competency model.
    - Coaching services are also available for senior leaders.
  - Ensure that diversity and inclusion are included as core developmental competencies in CFPB leadership training programs for managers and supervisors.
  - Provide and promote tools and resources to maximize the availability of training and detail opportunities.
  - Ensure that work experiences, assignments, and opportunities that can lead to advancement and/or promotion within the CFPB are accessible and available to a diverse group of employees, including women and minorities.
- *Action 2: Enhance mentoring programs for employees at all levels with an emphasis on aspiring executive level employees.*
  - Continue to develop and facilitate mentoring bank program pilot to provide a forum for employees to actively engage with Bureau leadership on professional development topics.

- Evaluate mentoring bank rotational pilot program to inform the development of future mentoring programming, including programming that identifies and focuses on aspiring executive-level employees.
- Explore additional methods to enhance mentorship opportunities, consistent with overall efforts to enhance employee engagement and the workforce experience.
- *Action 3: Develop and implement a formal succession planning process that promotes diversity in the CFPB's senior management and in mission-critical positions.*
  - Develop and launch a succession management effort building on foundational work already completed.
  - Evaluate succession management efforts and synthesize lessons learned to inform development of a broader succession management program.
  - Continue delivering cohort-based leadership and new supervisor development programs to support and develop all levels of CFPB leadership.
  - Provide a unified leadership curriculum and philosophy through mandatory Leadership Excellence Seminars, reinforcing the CFPB's commitment to fostering diversity in senior management positions and instilling these values in CFPB leadership.

### 2.2.2 Priority 2.2: Cultivate a supportive, welcoming, inclusive, and fair work environment.

- *Action 1: Use flexible workplace policies that encourage employee engagement and empowerment, including, but not limited to, telework, wellness programs, and other work-life flexibilities and benefits.*
  - The CFPB has implemented and will continue to support and improve upon policies that encourage employee engagement and empowerment. Examples of implemented programs include:
    - A teleworking program providing employees the flexibility of up to three days a week for routinely scheduled telework; episodic telework; and extended situational telework.

- An Alternative Work Schedules policy.
- An Annual Leave Policy allowing employees to carry over an enhanced amount of annual leave (360 hours).
- Lactation rooms in all headquarters buildings and regional offices.
- A Voluntary Leave Transfer Program to assist employees affected by a family or personal medical emergency.
- Short-term and long-term disability insurance for eligible employees.
- A broad-based Annual Employee Survey (AES) action planning process to evaluate received feedback on workplace flexibilities and benefits on an annual basis.
- *Action 2: Support participation in employee affinity and resource groups and provide such groups and individuals with access to CFPB's senior leadership.*
  - Develop and implement a policy (including charter and guidelines) to govern employee-formed resource groups focused on common interests, including those representing women, minorities, persons with disabilities, and others.
- *Action 3: Administer a robust orientation process for new CFPB employees to introduce them to the CFPB's culture and to provide networking opportunities.*
  - Integrate diversity and inclusion content throughout the new employee orientation and on-boarding process, to include background on:
    - CFPB culture, values, and norms including diversity and inclusion.
    - Workforce of the Future initiative, which will create effective methods for introducing the desired culture to all parts of the CFPB, including new employees.
  - Assign a new hire ambassador for all new employees to accelerate acculturation and provide them a point of contact to answer questions about organizational culture and processes.
  - Evaluate options for increased networking opportunities among new employees and divisional level leaders.

## 2.3 Goal 3 – Sustainability

The CFPB will develop strategies and processes to promote a workplace culture of diversity and inclusion, and to equip leaders with the ability to manage diversity, create a culture of inclusion, articulate expectations for accountability, measure results, and adjust and refine approaches on the basis of collected data.

### 2.3.1 Priority 3.1: Demonstrate leadership commitment and accountability to fostering a workplace culture of diversity and inclusion.

- *Action 1: Affirm the value of legal compliance, workforce diversity, and inclusion efforts in the CFPB's strategic plan and related efforts to build a sustainable workplace culture.*
  - Further integrate diversity and inclusion into the next Government Performance and Results Act (GPRA) plan (FY2018-2022).
  - Continue to incorporate diversity and inclusion initiatives into the annual Division-level strategic plans and monitor progress through Triannual Performance Reviews.
  - Support CFPB's commitment to value diversity and inclusion through the Workforce of the Future norms.
  - Incorporate diversity and inclusion into the fabric of the CFPB's work environment through policies, programs, and initiatives.
  - Advise divisions on diversity and inclusion goals and objectives and implementation strategies.
- *Action 2: Implement the CFPB's Diversity and Inclusion Strategic Plan through the collaboration and coordination of the Director of the Office of Minority and Women Inclusion, Chief Human Capital Officer, the Director of the Office of Civil Rights and other Senior Leaders (e.g., The Office of Strategy, the Workforce of the Future Steering Committee, etc.).*
  - Create policies, programs, and initiatives that continually support the Bureau's diversity and inclusion strategic plan.

- Inculcate diversity and inclusion principles and norms into workplace culture and practices.
- Update this plan on an annual basis to reflect progress and evolving priorities for CFPB-wide diversity and inclusion.
- *Action 3: Ensure that all executives, senior officials, managers, supervisors, and employees throughout the CFPB are held accountable to ensure the proper execution of the CFPB's Diversity and Inclusion Strategic Plan.*
  - Ensure accountability for hiring, retaining, and developing a diverse, high-performing workforce is included in the performance management systems for managers and supervisors.
  - Advance managerial and employee understanding of the inherent value of diversity and inclusion practices by developing, delivering, and evaluating attendance at, and feedback on, diversity and inclusion and EEO training.
  - Communicate via CFPB internal channels and regular newsletters updating CFPB employees on the progress and effectiveness of diversity and inclusion initiatives.
  - Share diversity and inclusion best practices, tips, and frequently-asked questions on a regular basis with managers through established internal communication channels.
  - Conduct annual Senior-level management briefings to discuss disaggregated findings of Annual Employee Survey (AES) results on diversity and inclusion workplace issues.
- *Action 4: Develop and widely distribute a set of diversity and inclusion measures to track the CFPB's efforts and provide a mechanism for refining annual Division-level strategic plans.*
  - Collect data including demographic data, hiring and promotion data, complaint and grievance data, and employee survey data.
  - Analyze above- mentioned data to better understand issues and challenges.

### 2.3.2 Priority 3.2: Ensure full and timely compliance with all Federal laws, regulations, Executive orders,

management directives, and policies related to promoting diversity and inclusion in the Federal workforce.

- *Action 1: Develop a diversity and inclusion dashboard with metrics as a management tool for CFPB's workforce planning and reporting.*
  - Provide data dashboard (including complaint data) and advise senior leadership on gaps and opportunities within their division. Track progress in implementing CFPB's diversity and inclusion efforts.
  - Manage process for divisional Triannual Performance Review on employee demographics and provide a mechanism for refining division plans.
- *Action 2: Ensure timely submission of all required reports including but not limited to: reports required by Federal laws, regulations, Executive Orders, management directives, policies, and the U.S. Office of Personnel Management (OPM).*
  - Provide updated and accessible information to CFPB employees on anti-discrimination laws, regulations, policies, and guidance.
- *Action 3: Ensure compliance with Federal laws*
  - Managers will ensure compliance with anti-discrimination laws, regulations, policies, and guidance, with accountability through performance plans.

### 2.3.3 Priority 3.3: Involve employees as participants and responsible agents of diversity, mutual respect, and inclusion.

- *Action 1: Leverage formal diversity and inclusion programs at the CFPB with visible leadership involvement.*
  - Continue to leverage the Executive Advisory Council, as advocates for CFPB-wide diversity and inclusion-related issues and initiatives.
  - Continue to leverage the Diversity and Inclusion Council of Employees working group to support the Bureau's diversity and inclusion efforts.

- Leverage ERGs and executive sponsors as essential change agents in building a more inclusive workplace.
- *Action 2: Participate in, and contribute to, OPM's Diversity and Inclusion Best Practice Program, pursuant to Executive Order 13583.*
  - Continue involvement in OPM's diversity and inclusion working groups.
- *Action 3: Build diversity and inclusion core competencies for all staff and ensure all employees have access to diversity and inclusion training, education, and relevant legal requirements.*
  - Continue to conduct diversity and inclusion training for all employees.
  - Continue to conduct diversity and inclusion training for supervisors and managers aligned with building core competencies.
  - Conduct an equal employment opportunity course for supervisors and managers to ensure that group has visibility and awareness of all relevant laws and responsibilities.
  - Ensure mandatory No FEAR Act and sexual harassment trainings are completed in a timely manner by all new and existing employees.

## 2.4 Goal 4 – Minority- and Women-Owned Businesses

The CFPB will increase opportunities for women- and minority-owned businesses.

### 2.4.1 Priority 4.1: Ensure compliance with mandated Dodd-Frank responsibilities related to minority- and women-owned businesses.

- *Action 1: Educate business unit leaders in the CFPB about benefits and opportunities of contracting with women- and minority-owned businesses.*

- Communicate the Director’s Diversity Policy regarding minority- and women-owned businesses throughout the CFPB, emphasizing the importance of these initiatives to CFPB’s decision makers.
- Assist CFPB decision makers with market research efforts by providing technical capability information pertaining to minority- and women-owned businesses.
- Provide CFPB business units with divisional contracting data of minority- and women-owned businesses.
- *Action 2: Conduct outreach to minority- and women-owned businesses to provide information about contracting opportunities.*
  - Collaborate with other federal agencies to share best practices and participate in joint procurement diversity events.
  - Liaise with potential minority- and women-owned vendors, including matching vendor capabilities to CFPB’s procurement requirements and coordinating market research meetings.

## 2.5 Goal 5 – Diversity Practices of Regulated Entities

The CFPB will provide a framework for regulated entities to build and strengthen their diversity policies and programs.

### 2.5.1 Priority 5.1: Through the OMWI office, use interagency policy standards to assess diversity and inclusion policies and practices at regulated entities.

- *Action 1: Develop plans to use the Standards to engage with the Bureau’s regulated entities to encourage increased levels of diversity and inclusion, and to share information that would better inform the Bureau and the public.*
  - Collect and assess diversity and inclusion self-assessment submission data.

- Create industry reports and share best practices that can be replicated by other entities to enhance their own diversity and inclusion efforts.

## 2.6 Goal 6 – Employment Practices of Bureau Contractors

Through the OMWI office, use good faith effort (GFE) standards developed under Dodd-Frank Act to determine efforts of Bureau contractors to utilize women and minorities in their workforces.

### 2.6.1 Priority 6.1: Through the OMWI office, use good faith effort (GFE) standards developed under Dodd-Frank Act to determine efforts of Bureau contractors to utilize women and minorities in their workforces.

- *Action 1: Educate vendors on GFE requirements and processes.*
  - Conduct outreach to vendors.
- *Action 2: Conduct GFE analyses and make determinations, provide technical assistance, and make recommendations to the Director.*
  - Analyze data submission, make determinations, and devise improvement plans for contractors, as necessary.