

U.S. Department of the Treasury

STRATEGIC DIVERSITY AND INCLUSION PLAN



March 16, 2012

OVERVIEW

Executive Order (EO) 13583 directs executive departments and agencies to develop and implement a comprehensive, integrated and strategic focus on diversity and inclusion as a key component of their human resources strategies. This plan serves as the Department of the Treasury's strategic diversity plan. It provides a shared direction, encourages commitment and accountability and creates alignment for all of the components in the Department.

The Department's diversity strategy is the result of a collaborative effort. A core team of representatives from the Human Resources, Diversity and EEO communities from the Department and the bureaus worked together to develop the Department's diversity vision, mission and strategic priorities and corresponding goals. All Treasury bureaus were provided an opportunity to review and comment on the plan.

A commitment to equal opportunity, and to diversity and inclusion, is critical to accomplishing the mission of the Department. The Department's mission is to maintain a strong economy and create economic and job opportunities by promoting the conditions that enable economic growth and stability at home and abroad, strengthen national security by combating threats and protecting the integrity of the financial system, and manage the U.S. Government's finances and resources effectively. This unique mission brings us in touch with the lives of all who reside in this country: for example, the Internal Revenue Service serves all taxpayers, the United States Mint and the Bureau of Engraving and Printing produce the coins and currency that are touched and trusted by people all over the world, every day; the Office of the Comptroller of the Currency oversees the banking institutions to maintain safety and soundness, and ensure fair access and treatment of customers; the Financial Crimes Enforcement Network enhances national security by combating terrorist financing, money laundering and other financial crimes; and the Financial Management Service provides financial security to all those who receive Social Security, government pensions or other government checks by issuing prompt and secure payments.

The people who deal with the Department bring with them a wide variety of backgrounds, cultures and experiences. To be a leader, Treasury needs to understand, work with and value all individuals who constitute our national economy—small business owners and large businesses, unemployed and wage earners, citizens and non-citizens, older workers and those just entering the workforce, veterans and persons with disabilities.

To effectively serve this diverse nation, our workforce must also be diverse. To maintain our status as a high performing organization, we must value and respect the people we employ.

Managing diversity at the Department of the Treasury involves creating and maintaining a work environment that (1) attracts the widest possible pool of talent; (2) provides opportunities for all employees to maximize their potential and fully contribute to accomplishing our

agency's mission; and (3) ensures everyone is treated with dignity and respect. Commitment and accountability are the hallmarks of a successful effort to build and maintain a diverse, high-quality workforce. Therefore, the Department's diversity strategy concentrates on three primary areas: recruitment and hiring, inclusion and sustainability. It imposes no requirements beyond those currently required by existing law, regulation or executive order. However, it offers comprehensive guidance so that all employees of the organization can share an understanding of what is to be done, how it can be done and how to know when it is being done. This Department-wide strategic plan presents the expectations that guide the Department's assessment of bureau efforts. It also offers a basis for bureau self assessments and a prescription for "succeeding."

Within 60 days of the issuance of this plan, each Treasury bureau shall establish an implementation plan for carrying out the strategic objectives identified in this plan. The bureau plan shall be sent to the Deputy Assistant Secretary for Human Resources (DASHR)/Chief Human Capital Officer (CHCO) for review and approval.

Although this plan outlines many best practices that are familiar to EEO and Diversity practitioners, for many bureaus, they are best practices that have not been implemented for a variety of reasons. Therefore, before diving into the development of the implementation plan, each bureau is encouraged to conduct a comprehensive and honest self-assessment and to answer the hard question of why these practices have not been implemented already. For some bureaus, the challenges lie with securing genuine top-down leadership support; for others, the organization structure and reporting lines will pose the greatest barriers; other obstacles may be found in the existing dynamic between the EEO and Human Capital Offices, or the foundational step of determining the roles and responsibilities of the Diversity Office or Office of Minority and Women Inclusion (OMWI) Office, or identifying and assessing whether current staffing possess the proper skill sets to carry out the objectives in this Strategic Plan. While the Department acknowledges the significance and impact of these challenges, this Strategic Plan is the call to action for bureaus to identify them and develop solid plans to overcome them.

VISION

To recruit and hire the best talent and to provide a welcoming work environment where all of our employees have the opportunity to develop to their full potential in support of Treasury's stewardship of the United States economy.

MISSION

The mission of the Department of the Treasury is to maintain a strong economy and create economic and job opportunities by promoting the conditions that enable economic growth and stability at home and abroad, strengthen national security by combating threats and protecting the integrity of the financial system, and manage the U.S. Government's finances and resources.

DEFINITION OF DIVERSITY AND INCLUSION

Diversity is the collection of individual attributes that together help agencies pursue organizational objectives efficiently and effectively. These include, but are not limited to, characteristics such as national origin, language, race, color, disability, ethnicity, gender, age, religion, sexual orientation, gender identity, socioeconomic status, veteran status and family structures. The concept also encompasses differences among people concerning where they are from and where they have lived and their differences of thought and life experience.

Inclusion connects each employee to the organization; encourages collaboration, flexibility and fairness; and leverages diversity throughout the organization so that all individuals are able to participate and contribute to their full potential.

The Business Imperative

The Department of the Treasury's Diversity Strategic Plan is designed to assist the Department in attaining a diverse workforce by ensuring that (1) recruitment policies are sufficiently broad to afford maximum flexibility and enable recruitment of well-qualified candidates from a wide variety of sources; (2) internal barriers do not impede the hiring, promotion or retention of any candidate or employee because of his or her race, gender, national origin, age, color, religion, disability, sexual orientation, parental status, protected genetic information or any other non-merit factor; (3) the Department develops a culture of inclusiveness, where every employee is given the opportunity to work at his or her full potential; and (4) managers and leaders are accountable for the success of this initiative. This cannot be viewed as an EEO or an HR initiative; every manager and supervisor has to be accountable in order for this strategy to be successful.

The Department of Labor predicts that:

“By 2050 minorities are projected to rise from one in every four Americans to almost one in every two... Growth rates of both the Hispanic-origin and the Asian and Pacific Islander populations may exceed two percent per year until 2030. Even at the peak of the baby-boom era, the total population never grew by two percent a year....In fact, after 2020, the Hispanic population is projected to add more people to the United States every year than will all other groups combined.”¹

In building a workforce that is successful in leading a 21st century economy, we must recognize and use the diversity of our nation to our advantage, and must include diversity as an integral part of our business planning. We must continue to achieve and maintain a competitive workforce in a rapidly changing business and political environment through the unique strengths of our employees and business partners. A diverse workforce will enable us to provide a measure of understanding to our customers by relating to the diverse backgrounds of those customers. The Department works not only with the public but with other Federal agencies, foreign governments and international financial institutions to encourage global economic growth, raise the standard of living and, to the extent possible, predict economic and financial crises. By including employees from all backgrounds, Treasury is better able to meet these mission needs.

We recognize that to be competitive in the labor market, we must solicit from every available source of candidates to ensure we have the highest quality workforce. Failing to recruit among the full spectrum of the labor market is to miss a strategic opportunity.

Moreover, diversity provides an opportunity to strengthen the Department from an organizational standpoint. A variety of views, approaches and actions for Treasury to use in

¹ <http://www.dol.gov/oasam/programs/history/herman/reports/futurework/report/pdf/ch1.pdf>. (retrieved on February 6, 2012)

planning, problem-solving and decision-making strengthens the Department's ability to better serve the taxpayer by reflecting the customers and communities it serves.

A diverse workforce offers greater productivity and a competitive edge. Diversity improves the quality of our workforce and offers a higher return on our investment in human capital. Our agency's future depends on the quality of employees we recruit today. New employees often consider an organization's diversity efforts when deciding whether to accept or reject an employment offer. Potential candidates are usually more attracted to employers that are committed to sustaining a diverse workforce. Moreover, diverse perspectives increase creativity as they offer different perspectives, ideas and solutions.

This is an opportune time for the Department to implement a diversity strategy. Studies have predicted that the projected retirement wave, as the "baby boom" generation reaches retirement age, will provide unique opportunities for hiring and developing new talent. Moreover, analysis of our demographic data indicates that the Department has many opportunities to improve its diversity portrait.

The charts at Appendix A provide detailed overall Treasury workforce profiles for each bureau, including data on new hires, retention rates, disability hires and the composition of the workforce at the 13-15 and SES levels. Each bureau needs to develop an implementation plan, to ensure this overall strategy is tailored to the needs of the bureau and is executed, analyzed and results are noted, and course corrections made as needed. The data contained in Appendix A describes the Treasury workforce as of the close of FY 2011. As outlined elsewhere in this strategy, bureaus will need to continually assess their progress against the key performance indicators.

It is also important to recognize that analysis of traditional data such as that provided in Appendix A, in and of itself, will not result in a diverse workforce. Rather, we must keep in mind that diversity is broader than the traditional characteristics of race, national origin and gender. As we build and maintain our diverse workforce, we also must remember that each of us is unique, and it is that uniqueness that helps to make our nation great. It would be paradoxical to hire a diverse workforce, and then expect that everyone acts and thinks the same. An inclusive workforce culture will respect those differences and value them.

Workforce Diversity

The Department shall recruit from a diverse, well qualified group of potential applicants to secure a high performing workforce drawn from all segments of this nation's society.

1.1. Priority

Design and perform strategic outreach and recruitment to reach all segments of society.

Strategies and Actions for Achieving Goals

- Using the Treasury workforce analytics system and tools, each bureau will conduct workforce analyses (consistent with MD 715 instructions)² to identify areas of low representation against the relevant civilian labor force benchmarks at all grade levels and in all occupations, with emphasis on positions in the senior executive, supervisory and managerial ranks, and mission critical occupations. This initial assessment will be the baseline data against which future progress will be measured.
- Bureaus will use the results of workforce analysis and workforce and succession planning to implement a comprehensive recruitment plan designed to show progress toward closing identified gaps. The Department will review recruitment plans and determine if there are areas where we can consolidate recruitment efforts or ensure collaboration among the bureaus.
- Bureaus will collect applicant flow data from all external advertised vacancy announcements, using the current Career Connector tool or another data collection system, and analyze the data as part of the MD 715 report. Applicant flow data will be analyzed to help determine if there are barriers to the recruitment and/or selection of individuals from diverse backgrounds
- The Department will take action to modify the Career Connector tool to enable it to collect and report on demographic data for SES applicants.

² Equal Employment Management Directive 715 (MD 715), effective October 1, 2003, provides policy guidance and standards for establishing and maintaining effective affirmative programs of equal employment opportunity under Section 717 of Title VII (Part A) and affirmative action programs under Section 501 of the Rehabilitation Act (Part B). The Directive requires that Agency Heads "...develop systems for the evaluation of program effectiveness and barrier identification and elimination..."

- Bureaus will engage with the appropriate diverse recruitment resources in anticipation of filling vacancies. When filling senior level positions (SES, SL and 13-15 or equivalent) through public posting, Bureaus will ensure positions are open for a sufficient length of time to ensure broad distribution of the announcement to diverse sources.
- Bureaus will provide all recruiters with appropriate training on diversity recruiting. Such training should include information about the organization's mission and skill requirements, internal hiring procedures, available personnel flexibilities including Schedule A hiring authority for persons with disabilities and veterans, effective interview techniques, diversity objectives and reasonable accommodation.
- Bureaus will provide training in interviewing techniques, including information on avoiding unconscious biases, to managers. Bureaus also will encourage diversity in hiring/interview panels to the extent possible.
- Bureaus will make maximum use of student internship and fellowship programs that have diverse pipelines to draw candidates from all segments of society. Bureaus will track the demographics of all interns and determine if intern programs are drawing from diverse applicant pool, and will track the conversion rate of interns placed in permanent positions.

1.2. Priority

Use strategic hiring initiatives for people with disabilities and for veterans, conduct barrier analysis, and use Special Emphasis Programs (SEP's) to promote diversity within the workforce.

Strategies and Actions for Achieving Goal

- Bureaus must establish a designated SEP Program Manager for the Hispanic Employment Program, Disability Program, Veterans Program, Women's Program, Asian-American Pacific Islander Program, African-American Employment Program, American Indian-Alaska Native Program and the Gay and Lesbian Bisexual Transgender Program (GLBT) and publish that information on their internal website. Depending on the bureau resources, SEP managers may be filled as a collateral duty or on a full-time basis and SEP Manager may be responsible for more than one program. SEP Managers should work closely with the bureau EEO Officer and be involved in conducting barrier analysis studies and developing action plans for barrier elimination.
- Bureaus should review and update reasonable accommodation procedures, and make them available on external and internal websites. All vacancy

announcements should indicate where applicants can find information on the bureau's reasonable accommodation policies and procedures.

- Bureaus will maximize the use of Schedule A hiring authority for individuals with disabilities and veterans by requiring that all vacancy announcements being advertised externally are sent to the responsible SEP Managers for applicable job searches. The Program Manager will discuss the benefits of Schedule A hiring with the manager where the vacancy resides.

Workplace Inclusion

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

2.1. Priority

Promote diversity and inclusion in leadership development programs.

Strategies and Actions for Achieving Goal

- Bureaus will identify all leadership development programs, determine the demographic make-up of the programs and report the results to the CHCO. If groups have low participation rates compared to their representation in the workforce, the bureau will develop a strategy to identify and address potential barriers.
- Bureaus will include EEO and Diversity professionals in the orientation process for new employees. Content will include both the bureau's commitment to diversity and inclusion as well as information which provides new employees with tools and resources to address potential challenges.
- Each bureau will ensure all leadership and development programs have components that cover managers' EEO responsibilities and tools to foster a diverse and inclusive workforce.
- The Treasury Executive Institute will develop a diversity program for Treasury leaders (GS-14 through SES) that covers the precepts of diversity and inclusion as well as conflict resolution skills. The Bureaus will encourage employees' attendance at this training.
- Each bureau will develop a leadership succession plan (or planning program) for its organization. The EEO and Diversity Office(s) will participate in the process to ensure that EEO and diversity is considered appropriately. The plan will be periodically monitored and assessed and appropriate changes made when necessary.
- Bureaus will expand the use and availability of formal and informal mentoring and coaching programs, interactive and on-line training technology, and internal and external training, and will report on their efforts to the Department's CHCO, who also will look for ways to collaborate and share services.

2.2. Priority

Cultivate a supportive, welcoming, inclusive and fair work environment.

Strategies and Actions for Achieving Goal

- Bureaus will implement policies that maximize the use of work life flexibilities (telework, flexi place, wellness programs, etc.) as effective means to meet the unique needs of a diverse, multi-generational workforce.
- Bureaus will provide annual training to executives, supervisors, managers and employees on diversity, equal opportunity and worklife flexibilities. Bureaus will train managers on their responsibilities for providing reasonable accommodation³ and ensure policies/procedures are available on internal and external websites, newsletters and brochures.
- Each bureau will promote full utilization of the Department of Defense Computer/Electronic Accommodations Program (CAP), or comparable bureau programs, to address the needs of individuals with disabilities. Bureaus should consider centralized funding for accommodations.
- Each bureau will survey all of its facilities (either in person or through a self-assessment) to ensure that facilities (including leased facilities) are safe and productive work environments and are accessible to persons with disabilities. Bureaus will report to the Treasury Office of Civil Rights and Diversity (OCD) on the results of the survey with action plans to correct any deficiencies identified.
- The Department and each bureau will support participation in employee affinity groups and provide established groups with opportunities to collaborate with senior leaders.⁴
- Each bureau will measure workforce satisfaction in areas of inclusion, diversity, fairness and worklife flexibilities on EVS, and through the New Employee Survey tool, pulse checks, focus groups and the Treasury Exit Survey tool to determine if there are areas that need to be addressed. Bureaus will develop action plans covering the areas of diversity, inclusion and fairness as appropriate and measure progress year to year.

³ See Executive Order 13164, *Requiring Federal Agencies to Establish Procedures to Facilitate the Provision of Reasonable Accommodation* (July 26, 2000)

http://resource.lawlinks.com/content/legal_research/executive_orders/2000/executive_order_13164.htm

⁴ Recognized employee organizations as defined under 5 CFR 251. Bureaus whose employees are represented by exclusive representatives are reminded to comply with any and all bargaining obligations entailed in providing such opportunities.

- Bureaus will participate in Treasury Dispute Prevention Week, which provides an opportunity to publicize the benefits of alternative forms of dispute resolution and emphasizes collaboration and resolution skills building. Bureaus are expected to participate in the planning process, and sponsor local events which emphasize conflict resolution skills for employees and managers.

Sustainability

Treasury shall develop structures and strategies to equip leaders with the ability to manage diversity, be accountable, measure results, refine approaches on the basis of such data and engender a culture of inclusion.

3.1. Priority

Demonstrate leadership accountability, commitment and involvement regarding diversity and inclusion in the workplace.

Strategies and Actions for Achieving Goal

- The Department will establish a Diversity Council, comprised of senior Treasury leaders, which will be chartered to address diversity and inclusion issues throughout the Department.
- Bureaus will analyze, and report to the Diversity Council, on their EVS results by demographic group using data provided by OPM, as well as their progress toward meeting the key performance indicators.
- The Department will provide Treasury leadership and the Diversity Council with quarterly dashboards on the diversity of the overall Treasury and bureau workforce. Bureaus will discuss their successes and challenges in strengthening a diverse and inclusive workplace with the Treasury Diversity Council and in their annual State of the Agency briefing.
- The Department and each bureau will ensure diversity strategies are linked to organizational performance and their progress in meeting the key performance indicators identified by the Office of Personnel Management (OPM) (see p. 14) will be considered in determining organizational performance success. Employee performance systems will be reviewed and actions taken to ensure all managers and supervisors are rated on their commitment to EEO and support of diversity.
- The Secretary's commitment to diversity, equal opportunity and a workplace free of discriminatory harassment will be communicated to the workforce in the following manner: dissemination of an annual message to all employees and placement on all bureau internal websites, provided to all new employees in

orientation, and provided to employees when promoted into management positions. Bureaus must put in place processes to ensure the communication of the Secretary's commitment to EEO and diversity.

- The Department and its bureaus will take all necessary actions to ensure that EEO and Diversity professionals have the skills needed to enhance diversity and equal opportunity in the organization. Bureaus will ensure that competencies are identified and staff are periodically assessed and developed to close any competency gaps.

3.2 Priority

Fully and timely comply with all Federal laws, regulations, Executive Orders, management directives and policies related to promoting diversity and inclusion in the Federal workforce.

Strategies and Actions for Achieving Goal

- Bureaus will ensure timely and complete submissions of reports to OCRD. It is recommended bureaus periodically update the Treasury One-Report to enable a timely and comprehensive year-end submission to OCRD.
- OCRD will provide periodic reviews of bureau reports and will provide substantive feedback and recommendations to improve the quality of the reports.

3.3 Priority

Involve employees as participants and responsible agents of diversity, mutual respect and inclusion.

Strategies and Actions for Achieving Goal

- Each bureau shall ensure all employees have access to diversity and inclusion training, including by identifying and placing appropriate courses on the Treasury Learning Management System or the IRS Employee Learning Management System.
- Each bureau will provide recognized affinity groups with access to meeting space, electronic or other bulletin boards, and top leadership on an available basis.

Milestones and Measures

Milestones/Responsible Officials:

Submission of Plan to OPM	March 16, 2012 (CHCO)
Bureau Specific Implementation Plan to CHCO	May 15, 2012 (Bureau Heads)
Quarterly Diversity Dashboards Sent to Senior Leaders	30 days after end of each quarter. (Director, Civil Rights and Diversity (OCD))
Bureau Assessments on Progress	Quarterly STAT process (Director, OCD)
Establishment of Diversity Council	June 1, 2012 (CHCO)

Key Performance Indicators:

% of veterans hired:	Goal: 14%
% of disabled veterans hired:	Goal: 5.8%
% of individuals with disabilities hired:	Goal: 10%
% of individuals with targeted disabilities hired:	Goal: 2% ⁵

Overall participation rates for women and minorities in workforce

Year over year progress in diversity at senior levels (GS-13-15 and SES (equivalent))

Participation rates of employees on telework and alternative work schedules as compared to similar organizations

Improvement in bureau EVS scores related to support of diversity and fair treatment in workplace

Retention Rates

Timely Filed Reports

% of minorities and women in leadership programs

OTHER INDICATORS OF ORGANIZATION'S HEALTH

Applicant Flow Data indicates wide recruitment

Intern Program Participation rates (by ERI and gender)

% of EEO complaints and trends

% of complainants who participate in alternative dispute resolution programs

⁵ Hires for positions with medical standards (e.g., 1811's) would be excluded from the count.