

April 16, 2018

MEETING NOTICE

DIVERSITY AND INCLUSION AD HOC COMMITTEE

Board Members of the Diversity and Inclusion Ad Hoc Committee:

Director Tony Estremera
Director Nai Hsueh
Director John L. Varela

Staff Support of the Diversity and Inclusion Ad Hoc Committee:

Norma J. Camacho, Chief Executive Officer
Melanie Richardson, Chief Operating Officer
Stanly Yamamoto, District Counsel
Brian Hopper, Senior Assistant District Counsel
Anil Comelo, Interim Chief Operating Officer, Administration
Salam Baqleh, Supervising Program Administrator

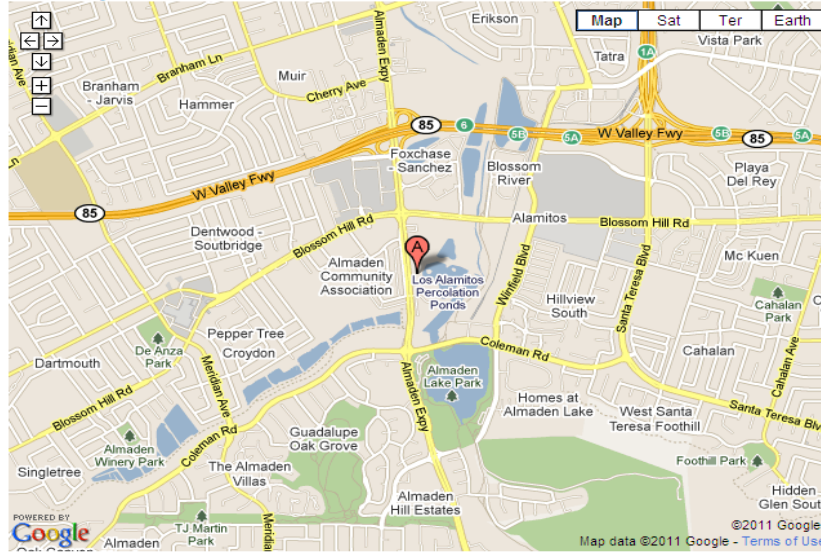
The meeting of the Diversity and Inclusion Ad Hoc Committee is to be held on **Monday, April 23, 2018, at 11:30 a.m.** in the Headquarters Building Boardroom located at the Santa Clara Valley Water District, 5700 Almaden Expressway, San Jose, California.

Enclosed are the meeting agenda and corresponding materials. Please bring this packet with you to the meeting.

Enclosures



**Santa Clara Valley Water District - Headquarters Building,
5700 Almaden Expressway, San Jose, CA 95118**



From Oakland:

- Take 880 South to 85 South
- Take 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Morgan Hill/Gilroy:

- Take 101 North to 85 North
- Take 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- Cross Blossom Hill Road
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Sunnyvale:

- Take Highway 87 South to 85 North
- Take Highway 85 North to Almaden Expressway exit
- Turn left on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From San Francisco:

- Take 280 South to Highway 85 South
- Take Highway 85 South to Almaden Expressway exit
- Turn left on Almaden Plaza Way
- Turn right (south) on Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Downtown San Jose:

- Take Highway 87 - Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (first traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

From Walnut Creek, Concord and East Bay areas:

- Take 680 South to 280 North
- Exit Highway 87-Guadalupe Expressway South
- Exit on Santa Teresa Blvd.
- Turn right on Blossom Hill Road
- Turn left at Almaden Expressway
- At Via Monte (third traffic light), make a U-turn
- Proceed north on Almaden Expressway approximately 1,000 feet
- Turn right (east) into the campus entrance

AGENDA

DIVERSITY AND INCLUSION AD HOC COMMITTEE

MONDAY, APRIL 23, 2018

11:30 A.M.

**Santa Clara Valley Water District
 Headquarters Building Boardroom
 5700 Almaden Expressway
 San Jose, CA 95118**

<p>Time Certain 11:30 a.m.</p>	<p>1. <u>Call to Order/Roll Call</u></p>
	<p>2. <u>Time Open for Public Comment on Any Item Not on the Agenda</u> <i>Comments should be limited to two minutes. If the Committee wishes to discuss a subject raised by the speaker, it can request placement on a future agenda.</i></p>
	<p>3. <u>Elect Chair and Vice Chair</u></p>
	<p>4. <u>Action/Discussion Items</u></p> <p>4.1 Committee Workplan Development (Anil Comelo) Recommendation: Develop Committee work plan to guide the Committee’s discussions regarding the Diversity & Inclusion Program at the District.</p> <p>4.2 The Leading Edge 2011 Santa Clara Valley Water District Audit of Diversity and Inclusion Program (Anil Comelo) Recommendation: Review audit recommendations.</p> <p>4.3 2015-2019 Diversity and Inclusion Master Plan (Anil Comelo) Recommendation: Review Master Plan Goals, Strategies, and Tactics and tracking matrix.</p> <p>4.4 Identify Focus Areas and Timeline (Anil Comelo) Recommendation: Begin discussion on potential focus areas and timelines for the Committee.</p> <p>4.5 Next Meeting Schedule and Next Steps (Committee Chair) Recommendation: Discuss and confirm next meeting date and tentative agenda items.</p>
	<p>5. <u>Clerk Review and Clarification of Committee Requests and Recommendations</u> <i>This is an opportunity for the Clerk to review and obtain clarification on any formally moved, seconded, and approved requests and recommendations made by the Committee during discussion of Item 4.</i></p>
	<p>6. <u>Adjourn</u></p>

REASONABLE EFFORTS TO ACCOMMODATE PERSONS WITH DISABILITIES WISHING TO ATTEND COMMITTEE MEETINGS WILL BE MADE. PLEASE ADVISE THE CLERK OF THE BOARD OFFICE OF ANY SPECIAL NEEDS BY CALLING (408) 630-2277.

Meetings of this committee will be conducted in compliance with all Brown Act requirements. All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the same time that the public records are distributed or made available to the legislative body, at the following location:

Santa Clara Valley Water District, Office of the Clerk of the Board
5700 Almaden Expressway, San Jose, CA 95118

DIVERSITY AND INCLUSION AD HOC COMMITTEE

Purpose: The Diversity and Inclusion Ad Hoc Committee was established to work on Board and Director identified issues



Committee:	Diversity and Inclusion
Meeting Date:	04/23/18
Agenda Item No.:	4.1
Unclassified Manager:	Anil Comelo
Email:	acomelo@valleywater.org
Est. Staff Time:	10 minutes

COMMITTEE AGENDA MEMO

SUBJECT: Committee Workplan Development

RECOMMENDED ACTION:

Develop Committee work plan to guide the Committee's discussions regarding the Diversity & Inclusion Program at the District.

SUMMARY:

The Committee will discuss the purpose and charge of the Diversity and Inclusion Ad Hoc Committee. The purpose of this Committee will be to gain a better understanding of the Diversity & Inclusion Program in its current form, consider policy options and make recommendations to the full Board.

ATTACHMENT(S):

None.



Committee: Diversity and Inclusion
Meeting Date: 04/23/18
Agenda Item No.: 4.2
Unclassified Manager: Anil Comelo
Email: acomelo@valleywater.org
Est. Staff Time: 30 minutes

COMMITTEE AGENDA MEMO

SUBJECT: The Leading Edge 2011 Santa Clara Valley Water District Audit of Diversity and Inclusion Program

RECOMMENDED ACTION:

Ad Hoc Committee receives information and staff provides comment to the Board in the implementation of the District's mission as it applies to The Leading Edge 2011 Santa Clara Valley Water District Audit of Diversity & Inclusion Program.

SUMMARY:

In 2011, the District enlisted The Leading Edge consulting group to audit the Diversity and Inclusion Program. The audit included a gap analysis with 54 recommendations. Many of the recommendations have been implemented and completed. The Diversity and Inclusion 2015-2019 Master Plan was informed by the audit. It incorporates many of the recommendations and as such supersedes the 2011 audit which is being provided here for informational purposes. The Master Plan is a more current and relevant mechanism for the evaluation of the Diversity and Inclusion Program.

BACKGROUND:

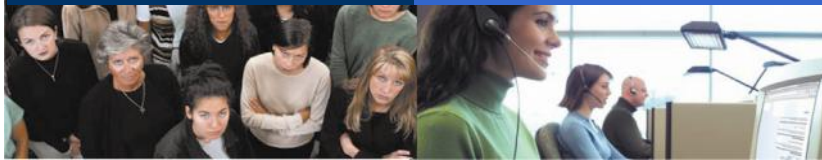
Please see the attached The Leading Edge 2011 audit for informational purposes.

ATTACHMENT(S):

Attachment 1: Santa Clara Valley Water District Audit of Diversity & Inclusion Program & Supporting Programs of EEOP, Recruitment, Promotion and CEPP

Attachment 2: Gap Analysis

Santa Clara Valley Water District Audit of Diversity & Inclusion Program, & Supporting Programs of EEOP, Recruitment, Promotion & CEPP



Small Business Enterprise No. 42974
Disadvantaged Business Enterprise UCP No. 37450



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Introduction

The purpose of this study was to conduct a comprehensive diversity and inclusion audit at the District including an evaluation of the Diversity & Inclusion program itself as well as the degree to which supporting departments in Human Resources including the Ethics and Equal Opportunity Program (EEOP), the recruitment, hiring, and promotions policies and practices were fair and without obstacles and finally to assess the District's Classified Evaluation Performance Process. The goals of the project were to

**Diversity is
about who we
are.
Inclusion is
how we work
together.**

(1) identify diversity and inclusion best practices which was concluded in the first report in this series;

(2) analyze previous studies conducted for and by the District regarding Diversity and Inclusion issues and conduct original research to evaluate the **corporate culture**;

(3) analyze the District's **hiring and promotion policies and processes** for evidence of obstacles or unfairness, and naturally, where there was a finding or variance, to make recommendations to align the District;

(4) evaluate the **Classified Employee Evaluation program**;

(5) evaluate the effectiveness of the **Diversity & Inclusion Program** and supporting policies and practices including the **Ethics and Equal Opportunity Program** policies and to make recommendations for alignment with Best Practice as well as structure and function.

CORPORATE CULTURE: STAFF PERCEPTIONS & UNDERSTANDINGS OF DIVERSITY & INCLUSION

The District has wrestled with work climate and diversity and inclusion issues for decades. Many staff say it is struggling with a corporate culture that has survived from its earlier history when the staff was smaller and more homogeneous. Over the years, as the numbers of staff have grown, sometimes in rapid spurts, the ability of the organization to absorb newcomers of all kinds has resulted in tension. The increased size of the staff plus the simultaneously increased heterogeneity has stressed previously existing understandings about how things are done at the District, what is or is not acceptable behavior, communication patterns, and most importantly, the informal power structure.

In this report, a description of the environment and analysis of possible root causes will be discussed using data from all known past studies which focused on staff perceptions. followed by a synthesis and recommendations.



DIVERSITY & INCLUSION COMPREHENSIVE AUDIT

RESULTS OF PAST STUDIES

The fact that the management has taken diversity and inclusion themes seriously can be seen in the numerous District wide studies which have been conducted over the years beginning with the 1996 study, Organizational Culture Survey and the 2009 Diversity and Inclusion Cultural Assessment. There have been special studies of specific areas in addition including one on women's issues. Staff satisfaction surveys have been regularly conducted with the latest one just completed in the fall of 2011.

In this report, a description of the environment and analysis of root causes will be discussed and synthesized using all known past studies analyzing the climate and staff perceptions will be summarized followed by a synthesis and recommendations. Description of the environment and analysis of root causes through a review and synthesis of previous work

1996 ORGANIZATIONAL CLIMATE SURVEY

The first formal analysis of diversity issues was undertaken from February to December of 1996. The analysis collected information from staff via a paper survey, staff interviews, and analysis of other District documents including policies, Board minutes, Affirmative Action plans and confidential EEO reports.

The survey asked questions in these general areas of organizational performance: communications, cultural diversity, job performance, supervisory leadership and organizational climate. Of these areas, cultural diversity was one of the most positively rated except for supervisor's abilities to handle racial or sexual harassment problems. Communications, job performance were lowest. Communications regarding job performance issues presented the most important of the problems by most employees. Selected survey results were as follows:

About two thirds of employees either disagreed or were unsure about job performance questions areas including receiving job performance standards information, feedback about how well they were meeting job expectations, and lack of recognition when they perform well.

A majority, 55%, of staff believed supervisors are able to deal with people from diverse backgrounds and treat people fair and equitably. However, this was in sharp contrast to being able to handle issues if problems arose when the confidence level in supervisors fell to 18%.

"A study of employee's write-in comments provides poignant examples of the experiences, anger, disappointment and chagrin at some of the practices which are prevalent in the District. The high levels of feelings ... is readily apparent. The statements are generally well organized,



DIVERSITY & INCLUSION COMPREHENSIVE AUDIT

thoughtful, incisive and required extensive time to present in written form."
source: 1996 Employee Organization Climate Survey p 11. .

Analysis of write in comments and interviews resulted in the findings listed below:

- There is a perception that favoritism and power politics were the pathway for upward mobility.
- Membership in a minority group or low status job results in distinctly different experiences from white professional males. "*These out groups are not restricted nor defined by color but may be any subset of persons who are not in favor with the group in power. "*
- There are perceived issues of status and hierarchy inequities in terms of training, access to travel.
- There are integrity issues in terms of not reporting sick time, stealing, lack of confidentiality.
- Affirmative Action Office - was perceived not to be objective and to have total control for all job actions.
- There were overt acts of racial or sexual discrimination.

The report concludes with the admonishment that there were 'glaring issues which, unless addressed by the leadership may become the Achilles heel for a well situated and financially solvent organization. These issues are not likely to disappear over time or through attrition. .. The issues come with strong feelings. The report concludes with recommendations to develop an action plan with top management ownership, to analyze the data on staff in terms of composition, grievances, complaints, to develop accountability systems for managers in terms of employee productivity, communications.

1997 BOARD OF DIRECTORS EEO AUDIT RESPONSE

After Dr. Young's report, the Board of Directors held public, open meetings with all District staff invited which has now entered the District's often retold legends as 'the tent' meeting. Subsequently, there were also investigations of at least one overtly racist incident that was included in the report as occurring that was later investigated but could not be supported as valid upon closer examination.

2006-07 WOMEN'S INITIATIVE FOCUS GROUP

In 2006 the District hired an independent firm to conduct focus groups and develop a report and recommendations to understand and improve the situation of women at the



DIVERSITY & INCLUSION COMPREHENSIVE AUDIT

District. Both men and women participated together and separately in focus group discussions. The key findings are summarized below.

Staffing and Recruitment. There are increasing numbers of women at the District and the environment has improved. Men were feeling more comfortable due to support from District leadership, training and apprentice programs.

Personal Communication Styles. Men were viewed as exhibiting more condescending and demeaning behaviors including poor communication and listening skills, holding stereotypical views of women as support staff, and resentment of women in the field and technical areas. Some characterized communications and behaviors as rude.

Differential Access to Career Opportunities & Development. Some of the women felt that men had better access to career development and training opportunities. Women felt excluded from after hours networking opportunities that are important at the District.

Lack of Mentors. Some women are viewed as personifying the good old boy network by creating a good old girl network replacement.

The study recommendations reflect the unique issues that women face, but are also consistent with the findings and perceptions in the all-staff studies. These include:

- ✓ Conduct a promotional process review to determine if promotions have been made on fair basis.
- ✓ Increase discrimination and communications training
- ✓ Development of affinity networks
- ✓ Strengthen succession planning and career path development
- ✓ Conduct a study of access to training opportunities
- ✓ The hiring and promotion process should have external, strategic oversight.
- ✓ Good faith efforts in recruitment and promotions should be developed and published.
- ✓ A confidential and independent inquiry process for EEO issues should be established.

2009 DIVERSITY & INCLUSION CULTURAL ASSESSMENT

The 2009-10 Cultural Assessment was the most comprehensive analysis and view of the issues surrounding diversity and inclusion in the District's history. It was conducted by an intensive data collection effort which included interviewing ERG leadership, the Diversity and Inclusion Council, plus intensive face to face interviews with a random stratified sample of 52 staff members and culminating with an online survey of all staff.



DIVERSITY & INCLUSION COMPREHENSIVE AUDIT

The Leadership strata consisted of all chiefs, deputies, and 7 unit managers so that all major units were included. The Employee Representation Leadership group consisted of all union leadership as well as the presidents or vice presidents of the Employee Resource Groups (ERGs). The Employee Occupational Group strata was viewed as the one which would provide the most representative view of employees across the District. The purpose of this group was to ensure that voices of all staff were heard regardless of their participation in D&I programs.

Summary of Interview Findings & Insights

The District is a great place to work. For many of those interviewed, they went so far as to volunteer it was the best place they have ever worked. Noticeably absent from interview discussions were references to issues regarding salary, benefits, workload, stress, and burnout.

The recent rapid changes in leadership have been unsettling. Staff regretfully, almost wistfully, acknowledged the abrupt, recent changes in times at the District including attention on budgets, community awareness of the District and media attention. Newcomers frequently mention this shift as serving as a reality check for the longer term employees who are still thinking about 'back-in-the-day'.

In terms of Diversity & Inclusion, employees feel the District has made significant progress in recent years. Due to the large influx of staff, new staff and to some degree, a new generation of staff has made its impact. Staff feels the District environment in terms of diversity is reflective of its community, and a microcosm of society issues – no better and no worse. The zero tolerance policy and communications from leadership have been supportive of promoting this progress. A District sponsored diversity workshop done in the past was also viewed as excellent in setting a new tone for appropriate behavior in the workplace.

A consistent and recurrent theme, and perhaps our most important finding, is how perceived difficulties in the management of employee/supervisor relationships and perceived weaknesses in HR policies, procedures, and practices have impacted and continue to confound the District's Diversity & Inclusion landscape. This has been exacerbated by multiple outside influences impacting supervisor/employee communications and relationships leading to mistrust and a perceived lack of accountability on both sides of the table.



Employee Perceptions of Diversity & Inclusion Climate at the District

As might be expected, the range of opinions regarding diversity and inclusion at the District ranges the full gamut from lip service to gone too far.

Succinctly, and not too surprising, perceptions about the climate fall into fairly distinct but often overlapping and ambivalent camps. These are presented in order of their incidence expressed during the interviews.

We're there. Let's Move on – The Transition to Inclusion. The majority of staff accept diversity as a fact of life. They view it as a natural part of the work environment and life in the Bay Area.

This group views diversity as a largely moot issue at the District. They understand the rules and accept them. They have little or no activity or involvement in D&I activities and feel there has been enough or too much talk about it. Their philosophy can be characterized by the feeling that D&I issues are resolved, or as resolved as they can be, since they are reflective of the society at large, so let's move on.

"We have come a long way since the tent meeting. Management practices have changed. {but} We need to examine whether the same {hiring} goals we had back then are still serving our needs in today's environment."

"I have a big question about the diversity events, should we really be doing these things at work with all the attention we get now? And the other is, if we have people who have problems, they should fix that, but most people don't need all this."

An observation made by interviewers and an undercurrent in employees' commentary, is that Diversity & Inclusion concepts held at the District have been galvanized in a 1980s EEO/legalistic and power based mentality. Raising the issue of D&I has brought up the old images of 'the tent meeting' when there seemed to have been an emotional outpouring of feelings that have not been forgotten by staff who experienced it, and is still referred to by newer staff as the touchstone reference.

Recently hired staff feel it is now time to move beyond the compliance mentality and to address the more abstract issues of embracing full inclusion, equal access to career opportunities based on accountability and merit for all people at the District. These people welcome inclusion but do not necessarily support the current perceived approach to Diversity & Inclusion at the District.

Diversity to these younger staff is a way of working and way of life, not a department at the District and they don't appreciate the obstacles that may exist.



DIVERSITY & INCLUSION COMPREHENSIVE AUDIT

Political Correctness Gone Too Far. Another relatively common staff perspective questions whether the pendulum has reactively swung too far. They question if it is now the diverse groups who are in favor and advantaged in terms of hiring and promotion preferences, access to power, and access to decision makers. There are expressions that reverse discrimination exists.

“In my twenty years here, there’s not a lot of change in terms of the climate..... {But now} we go out of our way to hire diverse, qualified candidates, maybe over a white candidate that is more qualified. We’re not selecting the best candidates anymore.”

“The diversity hiring is putting a strain on us... {we do it} to a fault. Our department is a poster child for diversity. But what we need now is to quantify what the District finds of value and put it in a context or benchmark rather than being out of control.”

The expressions of discomfort with tokenism were not limited to traditionally majority employees, but also extended to employees belonging to historically disadvantaged groups.

In addition, women and African Americans wondered out loud if they were ‘EEO’ hires or if they were indeed hired due to their accomplishments and merits. If the staff themselves have these questions, naturally their colleagues wonder along with them.

“We have all these celebrations for other cultures. And now we have become so culturally sensitive that we {Christians} can’t have a Christmas tree?”

“There is a perception that race plays a part in hiring and in protection {of your job}.”

Final Barriers – Not Gone Far Enough. Based on content analysis of interviewee responses to open ended questions, remnants of bias against some diverse groups is still perceived to exist.

No strong themes were identified in these interviews. However, African-American staff still perceive race to be a factor at the District.

There was also some suggestion that women are still not fully integrated into some units.

“Gender is still an issue we need to get started {on}. Women in the maintenance field are an issue still facing us.”

“They still just don’t get women’s issues here.”



DIVERSITY & INCLUSION COMPREHENSIVE AUDIT

Assessment of LGBT staff was not possible given the sample, but it may be that the comfort level with discussing gay/lesbian issues at the District may be an issue, and may vary across units.

Managing Change

The District has experienced rapid change over the last few years. Leadership changes, increased attention from the community and media, financial difficulties, silo operations within the District to mention a few. All the while, the District is trying to absorb a large and rapid influx of new, and diverse, staff into a well established, existing team. How this influx was managed is likely still influencing the current climate.

Transitioning ERGs -- from Social to Business Function

A consistent theme across all groups interviewed emerged with regard to questioning the current and future role of the ERGs. There was a perception that ERGs, while acknowledged as beneficial in the past, have lost some of their energy and direction.

"The ERGs now are negatively perceived and are very powerful in the District."

Their former social function in organizing cultural events has declined as their business case and justification has been strengthened. During this transition, there has been questioning as to whether the ERGs have outlived their usefulness and are now a divisive rather than inclusive force.

"The ERGS were good, but they are past their useful life now. My question is, What about the rest of us? How do I share my cultural heritage and experiences if I don't belong to one of the ERGs? They sit at their tables at lunch and speak their own languages, I don't know how to approach them or if I'm welcome."

Interviewees cite conflicts and competitiveness among the ERGs and what is viewed as unfair access to decision makers for exclusionary or personal agendas.

"We need to look at the effectiveness of the ERGs, are they are on the right track?"

"ERGs have gotten to be more 'them-versus-us' lately".

"the ERG fire is dwindling, there are fewer resources and idea generation....They argue because they are not being heard."

"...the groups are digging in...and {there are} uneven benefits of inclusion."



The Evolution to Inclusion

The District can be proud that there was a general consensus that diversity goals have been accomplished. The judgment of just how successful depends on where one sits, but generally that the District reflects its communities, in composition and attitudes toward diversity.

While incidences of intolerance can not be, and should not be forgotten, there have been embarrassing, unforgivably racist events which have remained in workplace lore and legend for a long time and continue to be cited as examples of current day problems. *Some reflection should probably be given to why these images have lingered so long in the District's psyche, why there has been the tendency to look backward rather than forward.*

Key Issues Impacting Diversity & Inclusion Perceptions

A number of recurrent themes arose from the interviews, but *please note these are summarized here as perceptions gleaned from the interviews.*

Circling the Wagons: Supervisor/Employee Relations. The possibility of multiple outside, powerful influences interfering with the supervisor/employee relationships in terms of career ladders and advancement is perceived to have had a detrimental impact on supervisors' willingness and ability to manage.

While line staff often complain that mid-managers are not up to the job, there was a perception that the line of authority does not seem to be well respected at the District. Mid-managers do not appear to feel supported as evidenced by limited communications, lack of feedback to employees, the reported indiscriminant performance review system, and juggling non-performing employees from one department to another.

There is a perception that the District is not addressing low performers. This includes the highest levels, to mid-managers as well as staff.

The challenge is how to facilitate development of supervisors and staff, communications and relations between them and not penalize anyone in the process.

External Candidates Bias & Candidate Debriefing. There is a feeling that hiring is biased toward external, historically under-represented candidates over internal staff. There is not a uniform practice of debriefing employees who are not promoted, leaving them to wonder if the reasons for their failures were inappropriately based on personal characteristics, rather than work related skills.



DIVERSITY & INCLUSION COMPREHENSIVE AUDIT

Career Ladders & Sponsoring Inside Talent. There was a strong felt need for development of career ladders, increased access to professional development opportunities, and increased opportunities among young staff, including engineering staff, to take on meaningful and progressively more responsible work assignments.

“Managers are not encouraged to develop a talent base internally.”

“Internal candidates are not valued.”

“People aren’t told why they don’t get a promotion. They need to hear that and then they can trust the system. Otherwise, people think his {race} must be the reason that explains it {not getting the promotion}.”

Generational Shifts. Asked about the issues facing the District, naturally leadership shifts, finances and media image were at the top of the list. Closely following is a deep anxiety that the District is not facing its next big challenge: the transmission of knowledge to the next generation of District employees. Their anxieties include lack of career ladders, mechanisms to coach young staff, particularly engineering staff, lack of knowledge on how to develop talent, and absence of a mentoring philosophy at the District.

2011 Listening Sessions & Interviews

The 2011 audit consisted of intensive collection of statistical data and interviews with the process owners of those areas included in the assessment, group listening sessions and then targeted individual interviews.

Group listening sessions were held with the Diversity & Inclusion Council as a whole, without management staff present. As a result of what was heard at this meeting, the large group meeting was supplemented with two separate listening sessions with ERG leaders and then with the Council members who were not associated with an ERG but chosen based on their job classifications. *There was a breach of confidentiality in the discussion by members of the Council who were present and as a result, there will be a strong recommendation about Council member’s role in preserving confidentiality.*

Individual interviews were also conducted and included union leadership to inform them of the goals of the study and to listen to any issues they may feel needed to be explored in the audit.

By design a limited number of targeted interviews were conducted with staff identified in previous work as an area of concern or a demographic of concern. The emotional tenor as well as the context of the conversations were unchanged from the 2009 interviews. Findings are summarized below.



Perceptions of District Climate and Processes

Managers do not have appropriate mechanisms at their disposal to get best performance from staff. The EEO and grievance process is used as a way to control managers, especially the anonymous process. The evaluation process is restrictive and not used to reward staff. There is zero reward for trying new things but lots of risk. They feel exhausted by meetings and directives, unappreciated, and unsupported.

Unclassified managers want to be the good guys and liked. They intervene in situations and interfere with goals of mid-managers, as a result, and without the facts.

The District uses a military command model of control. It is a strongly risk adverse culture, and as a result, very resistant to change. There is a lack of trust across chief sectors and as a result, change resistant silos exist that impede progress.

Retaliation is experienced at all levels of management and staff. Retaliation can come from areas where they are least expected because the social circles are stronger than the official lines of authority.

Many staff state there is an enormous sense of entitlement among their colleagues.

Hiring and promotions are unfair. People are promoted based on personal characteristics and relationships rather than work ethic or quality.

Access to training and professional development opportunities are uneven through the organization and where it is available, the opportunities are bestowed on favorites rather than in an equitable manner.

There is sparse praise or recognition for good work at the District. There is no meaningful evaluation system at the District. Few take it seriously. Comments, if present, are often vague and not helpful in terms of guiding future improvement in work habits or products. Dead wood and departments specializing in harboring dead wood are identified with regularity.

Supervisors expressed worries their staff would want raises if they received good reviews. The staff are well aware of this fear and expressed it in exactly that language:

"There is a fear that if you are praised you'll want a promotion... That is not a good way to treat employees."

Hiring and promotion processes are characterized as flawed and often unfair and easily manipulated, even among those who have benefited from the system.

Diversity Council Summary of Findings

The Council is not viewed as effective and has not progressed the way they wished. They feel there are not enough opportunities for discussion of important issues.



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There is a feeling that the group is ERG dominated. The people who are not ERG associated do not understand their role or why they are on the Council.

The ERG leadership do not uniformly or inclusively support the idea of the non-ERG members in the Council.

ERGs

From the ERG leadership, it was noted that their members have dwindled. They struggle to generate involvement and support for the program. Some described their organizations as 'on life support'. A round the table check in on the status of each of the ERGs gave these verbal responses:

ABE "almost dead";
Asian - declining numbers;
Boomers, very small, only 4-5 come to a meeting;
Vets - on life support
OLA - struggling to keep the enthusiasm up

In summary, leaders were burning out and want to be compensated for their time. They see the Diversity and Inclusion program as lacking focus and missing that, unable to demonstrate results.

There is a sentiment that membership in ERGs is stigmatizing. This perception could be linked to the fact that ERGs are not liked or respected and that they have gone too far and are now a divisive force. It is felt that they are a thinly veiled way to get the ear of leadership, to act as advocates in law suits, as a way to compete with other groups, and to push individual, not group, agendas.

There are no individual goals and roles for the ERGs and they are not guided appropriately.

Perceptions of the Diversity & Inclusion Program

Leadership express concern that there are no metrics for the D/I program and no evidence of the program's goals or progress made. Staff perceptions are that the program's goals and activities are unknown and ineffective. There are feelings that the program should be closed down.

Another reaction is puzzlement over its existence or suspicion that it is being used for personal gain or to placate certain segments of the staff.

"I have never worked at a place that is as focused and obsessed with diversity and inclusion as the District. "



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"It baffles me to this day, why do we need this when it's what we do everyday."

"The program should be empowered to do what it needs to or killed."

"{As it is now}... the program is set up to fail."

There was a feeling from a variety of sources that the name of the program needs to change, that it cannot overcome the current associations of the past.

Race at the District

While some interviewed thought the program was irrelevant, for others, it is a topic of engendering emotion among whites, Latinos, and blacks. According to African-Americans, there is a substantial racial subtext at the District. Others believe the race card is relied on too often and heavily and that there is favoritism among the blacks and high ranking blacks at the District.

2009 & 2011 Cultural Assessment & Workforce Satisfaction Surveys

The 2009 cultural assessment conducted by The Leading Edge included building and administering a survey of all District staff to evaluate the equity, diversity and inclusion climate. At the conclusion of the project, benchmark metrics were derived from the survey based on several factors: (1) fairness issues of concern to staff based on the in-person interviews, and (2) statistical analysis which identified predictive items using factor analysis of the overall results as well as sub-group analysis which showed differentiation among various District groups and (3) issues which linked to Board policies and (4) the goals of the Diversity & Inclusion program. These items were proposed to the District program staff, the Diversity Council and the Workforce Survey Implementation Committee and were adopted.

Unfortunately, of the 17 benchmarks chosen, only four were included in the 2011 survey. Of the four which were worded identically or nearly so, an additional complication is that the response categories were also altered.

The response rate of 65% dropped significantly, by 17%, from the last administration to 48%. There were about 224 questions, with many opportunities for narrative responses.

The ethnic representativeness of the survey can not be evaluated clearly since these categories were also modified and do not align to the way the District classifies staff for reporting purposes. Nevertheless, the numbers suggest African-Americans were over-represented and whites had a substantially lower participation rate than expected.



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Therefore, due to these many changes, comparison of 2009 to 2011 should be made with reservation.

Findings

Comparison of the 2009 and 2011 results suggests a general decline in morale. Perceptions of teamwork, for example, dropped by 13%. This finding is consistent with the 2011 interviews where staff volunteered there are silos and leadership issues which can make teamwork and projects more challenging than it should be. This trend could have an impact on the results regarding diversity and inclusion.

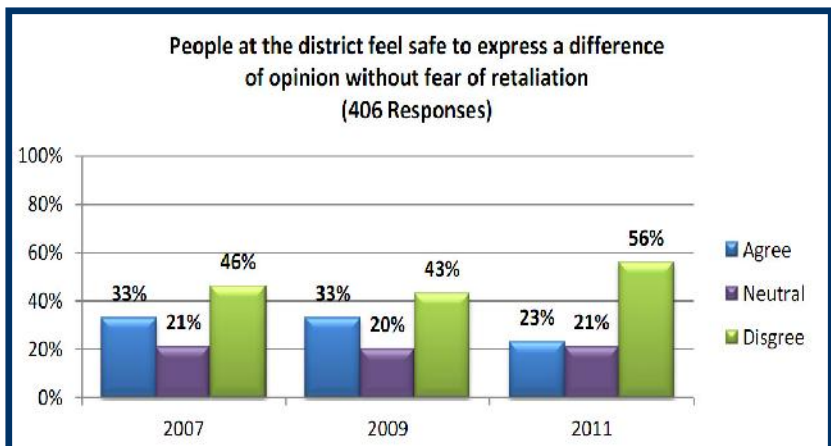
The comfort level of staff with the diversity and inclusion climate dropped from 57% to 47% and the value of the Diversity and Inclusion Program likewise dropped about 10% -- from 56% to 47%.

In 2011, only 51% of staff indicate their co-workers and supervisors model and practice inclusive behavior on the job. This is a alarming 21% drop from the 2009 levels (if the questions can be considered comparable) when 72% indicated they felt their colleagues modeled inclusive behavior.

Unfortunately, the fairness in hiring question was not included in the 2011 survey.

One of the issues that raised concern in the 2009 survey was that 11% of staff indicated humor was used to make fun of staff due to gender, race, religion or sexual orientation. The 2011 rate declined to 9%. Unfortunately, this may not be a significant difference since the confidence intervals for the survey are unknown, but surely greater than 2% difference we see here.

The issue regarding use of humor was higher among blacks and Latinos in 2009. In 2009, 33% of African-American staff reported issues and in 2011, the number was zero. The issue was unchanged among Latinos, however, with a 25% report rate in 2009 and 2011.



Fear of retaliation remains high at the District. From discussions with managers, these fears are not only for subordinates, but may also include fears of retaliation for poor performance appraisals by managers.



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Table 1. Benchmark Indicators 2009 & 2011

Benchmark/Strategic Indicator	Overall* Results 2009	Overall* Results 2011	Sub-Group* Results 2009
DIVERSITY & INCLUSION			
I am treated with respect by....			
Coworkers	82%	N/A	
Unit Managers	74%	N/A	
Senior Leadership	53%	N/A	
Coworkers & Supervisors model inclusive behavior on the job.	72%	N/A	63% Skilled Crafts; 64% Latinos
I am comfortable with the District's current status in terms of Diversity and Inclusion.	57%	47%	42% Black; 47% Admin Unit
I am able to contribute to the maximum of my abilities	47%	n/a	40% of 0-6 Years Service; 38% Technical staff & 37% Males
I am encouraged to develop my job skills so I can advance my career.	47%	n/a	33% Skilled Crafts; 35% Males; 39% Staff of Color
I can reach my full potential at the District.	42%	N/A	32% of 18-35 Year Olds; 24% Asians
Humor is used to make fun of staff due to their gender, race, religion or sexual orientation.	11%	9%	33% Blacks; 26% Latinos
ERG ACTIVITIES			
I belong to at least one ERG	29%	N/A	
Quality of ERG Activities Overall	41%	N/A	
Quality of Trainings & Workshops	34%	N/A	
Belief in Value of the Office Diversity & Inclusion Program	56%	47%	
PERCEPTIONS OF FAIRNESS & RECOGNITION			
I would recommend the District as a good place to work for someone of my background.	74%	N/A	63% Admin Unit
Teams work together despite differences of opinion.	73%	60%	
Promotions reflect giving everyone a fair chance	24%	N/A	62% Unclassified; Managers 39%; Engineers 30%; 14% Watershed; Blacks 8%
The District recognizes all employees who excel at their jobs.	17%	N/A	9% Admin & 4.5% of Skilled Crafts; 0% Black; 14% Employees Union



SUMMARY

The studies that have been had performed over the last 15 years have been solid. They have identified many common findings and made many common recommendations. The 2009 and 2010 findings have showed that there has been improvement in the overt behavior at the District with regard to ethnic groups and women. In other areas, there has been little or no perceived change in the culture and methods of operating, always the most stubborn to change.

A dominant part of the culture of the District is the very influential, informal power structure that was born, matured and gained its power likely during the days of a smaller, more homogenous group of male and white dominated engineers in 1950s and 1960s. The culture of this sub-rosa power structure has continued to operate under the same informal rules and assumptions.

While every organization has its informal routes to expedite getting things done, this power structure seems to be especially tenacious due to the very low turnover rate which has resulted in an inordinate number of people who have literally grown up and grown old together.

This culture has blurred the formal lines of authority as well as communications. There may be remnants of ignoring what are viewed as the official, irrelevant administrative rules to the informal seemingly more expedient ways of getting things done. It has blurred the line between professional and personal relationships on the job.

So in these other areas, remarkably little has changed to impact the role of this influential, informal power structure at the District as evidenced by these continued perceptions of District staff:

- ✓ Perception of unfair hiring and promotions
- ✓ Abuse of influence and power
- ✓ Lack of respect for the hierarchy resulting in unfair access to powerful figures, including the Chiefs and the Board
- ✓ Lack of confidentiality and gossip as a form of control and power
- ✓ Difficulties with supervisor/subordinate communications
- ✓ Lack of professional development and mentoring for staff and mid-managers
- ✓ Problems working across Chief areas and management silos
- ✓ Public and symbolic alignments along racial lines

Organizations such as the District are notoriously resistant to change, often likened to a frozen iceberg and, like the iceberg, the official culture is clearly visible from the top, yet most of the action is below the surface. An important event is typically required to unfreeze these existing cultures. During these unfreezing times, the power vacuum is



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quickly filled, often with different people, but with differing alliances. The new power structures, however, often use the same cultural models as templates for their own operations.

The now famous 'tent meeting' of 1997 seems to have been such a culture unfreezing shift. It has all the hallmarks: strong emotions, re-telling of the events so stories are now relayed by 2nd and 3rd generation staff, using it as a reference point to when things were recognized and changed. This unfreezing time typically means a time when existing structures relinquish power. Often a new guard with new alliances and a new set of in-the-know players form. The new power structure forms using existing role models only with a new in-group membership, their own informal sub-rosa way of getting things done, of personal interactions, of exclusion, of communication, and of patronage.

Hiring & Promotion Processes

While progress has been made in some areas of the diversity and inclusion landscape at the District, there is one problem that has remained consistent. Each of the previous studies of staff perceptions and attitudes have concluded that there is a long standing and deep mistrust of the fairness and integrity of the hiring and promotion processes at the District. For example, 71% of District staff felt the hiring procedures were unfair in the 2009 cultural assessment survey.

In addition to the surveys, comments in the surveys and analyses of interviews are replete with examples about unjust treatment of colleagues and less often, examples from personal experiences. These examples come from people who have been successful as well as those who have been disappointed. What has been badly needed is to examine to what degree these perceptions can be validated by the numbers, both in terms of the process and the outcomes.

The scope of this section of the audit report is to review the hiring and promotion policies and to statistically evaluate the impact of those policies on the composition of the District in terms of gender and ethnic diversity overall and then for the people who have been hired, promoted, dismissed or resigned. The standard or benchmark against which our analysis will be based is the workforce availability in the County as identified in **Board's Policy No. EL-10 EEO, Discrimination/Harassment, Prevention and Diversity** adopted in 1999 and revised in December 2009. Specifically item 10.4 indicates:

"A BOA shall not....Consistent with legal requirements, fail to assure that the District's work force fairly represents the composition of individuals in the available labor market who possess the requisite job skills."

The charge of this analysis is not a complete audit of HR hiring or promotion policies and procedures, nor of the department and its staff, or a review of individual case files, but rather a sensitivity review of the extent to which there are or are not institutionalized obstacles which would prevent all staff and potential applicants to have a fair and equitable opportunity for a job or a promotion.

Each analysis is organized by presenting first a summary of the sensitivity review followed by descriptive information and then analysis by gender and ethnic identification. Wherever data was available, appropriate statistical analyses are used if the numbers justify their use.

It should be noted that the District does not maintain information on a number of protected class characteristics and therefore, analysis is not possible. These include disability status, medical status, veteran status, sexual orientation, gender identity or religious preferences.





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The first section of this analysis will begin with a demographic profile of the District, followed by analysis of internal job actions including promotions, upgrades, and terminations. Next, perceptions of the 2011 interviews are presented. The policy analysis and gap analysis and recommendations conclude the report.

DEMOGRAPHICS DEMOGRAPHIC PROFILE OF DISTRICT STAFF - 2007-2011

While the written policies of the District appear to be sensitive to issues of fair representation and thus Best Practice, the real test of the effectiveness of these policies is how well they work and what is their impact on fairness. The questions that have long been at issue appear simple: Are the policies being implemented in a fair manner? Do they result in a representative workforce at the District? First, let's look at the current status, the demographic profile of the District. More detailed information can be found in Appendix 1 which contains detailed statistical tables of District staff by gender and ethnic identification.

The data in this section was provided by the District's IT department which included information on each full time staff member (without identifying names) for each of the last five years, 2007 to 2011. In addition, a job actions file for the same time period was requested and received which was used to analyze the promotions, transfers, resignations, dismissals.

The first and most basic analysis is first to establish basic demographics of the District in terms of job categories as well as personal characteristics of gender and ethnic identification. In 2011, the District employed 709 full time, permanent staff, 38% female and 62% male. The tables below show the ethnic breakdown overall and by Federal EEO job categories.

The District has experienced a 7% decline in full time permanent staff from 764 in 2007 to 709 in 2011. Table 2 also shows there was substantial growth in Latino, black and Asian staff between 2000 and 2007 and women increased about 3% during this time. However, from 2007 to 2011, the ethnic and gender proportions have remained steady.



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Table 2. Trends in District Staff by Ethnicity & Gender 2007-2011

EEO Classification	2000 SCVWD	2007 SCVWD	2008 SCVWD	2009 SCVWD	2010 SCVWD	2011 SCVWD
Total Employees at the District	575	764	746	746	735	709
Race						
White	71.1%	52.5%	52.8%	52.8%	52.2%	51.8%
Hispanic or Latino	11.9%	17.9%	17.8%	17.8%	17.7%	17.8%
Black or African American	4.0%	7.1%	6.8%	6.8%	6.9%	7.2%
Am Indian or Alaska Native	1.8%	1.2%	1.3%	1.3%	1.2%	1.4%
Asian	11.2%	21.3%	21.2%	21.2%	21.9%	21.9%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Gender						
Female	35.33%	37.83%	37.80%	37.80%	38.50%	37.94%
Male	64.70%	62.17%	62.20%	62.20%	61.50%	62.06%



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Table 3 shows the District staff categorized along EEO occupational lines. The percent in each of these groups has shown no substantial shifts over the time period.

Table 3. Trends in District Staff by Job Classification 2007-2011

EEO Classification	2007 SCVWD	2008 SCVWD	2009 SCVWD	2010 SCVWD	2011 SCVWD
Total Employees at the District	764	746	746	735	709
Administration Professionals	21.6%	21.9%	21.9%	21.9%	21.2%
Sr Clerical	8.6%	8.6%	8.6%	8.6%	8.5%
Clerical	2.0%	1.7%	1.7%	1.5%	1.6%
Officials & Managers	11.1%	10.7%	10.7%	10.3%	10.4%
Supervisors	8.6%	8.9%	8.9%	9.1%	9.2%
Eng & Technical Professionals	17.3%	17.0%	17.0%	17.0%	16.5%
Scientific Professionals	4.5%	4.6%	4.6%	4.9%	4.9%
Senior Technicians	4.2%	4.8%	4.8%	4.6%	4.9%
Technicians	7.7%	7.5%	7.5%	7.4%	7.2%
Service & Maintenance	6.2%	5.6%	5.6%	6.3%	6.4%
Skilled Craftworkers	8.2%	8.7%	8.7%	8.4%	9.3%
	100.0%	100.0%	100.0%	100.0%	100.0%



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District Demographic Profile Compared to the Santa Clara Work Force

Organizations who report to the Federal government on their EEO plan use a standard methodology of comparing the available workforce in each ethnic/gender group to the demographics of the workforce who work at an agency of interest. The concepts of interest which are used as a way of gauging if there is discrimination are called over-utilization and under-utilization.

The difference between available work force and the District work force is called the utilization. A group would be called over-utilized (a positive number) if the District has a higher percentage employed than are available in the local labor force. Under-utilization (a negative number) conversely means that the group is not being employed at a rate that than one would expect given their availability in the local population.

In this section of the analysis, Santa Clara County workforce availability is compared to the proportions at the District by ethnicity and gender and then by job classifications, often called EEO classifications. Table 4 below provides the proportion of the Santa Clara County Labor Force, the composition of the District staff, and the difference between the two proportions overall.

**Table 4. Gender and Ethnic Composition
Compared to Labor Force Availability 2011 -- All Occupations**

Gender/Ethnic Identification	SCC Available Labor Force	2011 SCVWD Employees	2011 SCVWD Laborforce Utilization
Male			
White	27.20%	33.15%	5.94%
Hispanic	11.77%	11.14%	-0.63%
Black	1.50%	4.51%	3.01%
Asian	14.24%	12.69%	-1.55%
Am Indian	0.17%	0.56%	0.40%
Other	1.79%		
Female			
White	21.23%	18.62%	-2.61%
Hispanic	8.50%	6.63%	-1.87%
Black	1.20%	2.68%	1.48%
Asian	10.80%	9.17%	-1.63%
Am Indian	0.16%	0.85%	0.69%
Other	1.42%		
	100.00%	100.00%	

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The figures in Table 4 are gross numbers because they include all occupational classes. However, an overall look indicates that the District is over-represented by white and black males, and black females. Under-utilization shows up in Asian males and females and Latino females. Because of the highly technical nature of many jobs at the District, a more refined analyses is required and is provided in Table 5. Appendix 1 shows the detail for each of the categories presented in this table along with trend information.

**Table 5. Gender and Ethnic Composition
Compared to Labor Force Availability 2011 -- By Job Classification**

	Male					Female				
	White	Latino	Black	Native Amer	Asian	White	Latino	Black	Native Amer	Asian
Overall - All Employees										
2007 SCVWD	33.77%	11.91%	4.32%	0.52%	12.30%	17.93%	6.81%	2.75%	0.65%	9.03%
2011 SCVWD	33.15%	11.14%	4.51%	0.56%	12.69%	18.62%	6.63%	2.68%	0.85%	9.17%
SCC Available Labor Force	27.20%	11.77%	1.50%	0.17%	14.24%	21.23%	8.50%	1.20%	0.16%	10.80%
Overall District Utilization	5.94%	-0.63%	3.01%	0.40%	-1.55%	-2.61%	-1.87%	1.48%	0.69%	-1.63%
By Job Classification										
1. Administration Professionals	-6.67%	4.00%	1.67%	0.67%	-14.33%	2.33%	6.00%	3.67%	1.33%	2.33%
2. Sr Clerical & 9. Clerical	-13.77%	-6.59%	-2.00%	0.00%	-6.59%	12.07%	7.54%	6.45%	1.41%	3.49%
3. Engineering & Tech Professionals	-1.23%	3.69%	3.27%	0.00%	10.62%	-15.31%	-2.29%	0.71%	0.00%	1.53%
4. Officials & Managers	-7.22%	-0.59%	8.46%	0.00%	3.22%	-7.78%	4.46%	3.05%	1.35%	-2.95%
5. Scientific Professionals	8.00%	1.71%	-1.00%	0.00%	-12.43%	11.29%	-4.00%	-1.00%	0.00%	-1.57%
6. Senior Technicians & 11. Technicians	17.37%	3.47%	2.65%	1.16%	-9.88%	-7.21%	2.14%	0.16%	1.16%	-9.02%
7. Service and Maintenance	11.67%	18.67%	9.11%	2.22%	-5.33%	-7.56%	-16.00%	-1.00%	2.22%	-11.00%
8. Skilled Craftworkers	27.64%	-10.82%	5.58%	0.00%	-10.45%	3.06%	-4.00%	0.00%	0.00%	-9.00%
10. Supervisors	8.23%	7.85%	2.08%	1.54%	-0.69%	-5.54%	-5.00%	-1.00%	0.00%	-5.46%

Officials and Managers. The leadership of the District are found in this category and therefore are key to setting the tone of the diversity and inclusion landscape.

White males and females were underutilized by 7% and 8% respectively. Black males and females showed over utilization rates of 8.5% and 3%. While Latino males were about on target, Latino females were over-utilized by 4.5%. Asian females under by 3%.

Clerical, Maintenance Crafts workers. These traditional female and male occupations are reflected in the District workforce with females dominating the clerical areas and males in the maintenance areas. Latino and Asian males were substantially under-represented in the crafts worker occupation, while black and white males were over-represented.



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Supervisors. This class was over-weighted with white, Latino and black males. Females were underutilized whether they were white, Latino or Asian at a rate of 5-6%.

Scientific and Senior Technicians. Staff in these areas showed a pattern for over-representation of white males and under-utilization among Asian males and females in the technician areas.

Administration Professionals. White and Asian males were underutilized in this group.

Engineering & Technical. In the engineering and technical professional areas, white females at the District were substantially under-represented with a 15% lower inclusion rate than availability in the County. White male engineers were on target with county rates. Latino, Black male engineers were overrepresented, Asians were over-represented with a District utilization rate 11% higher than reside in the County.

One of the issues facing staffing in the technical and engineering areas is simply pipeline issues -- the availability of qualified people. With the US universities increasingly struggling to enroll a representative proportion of students in its technical and engineering, the issue is not only a local issue, but also a growing national policy interest. In 2010-11 academic year, San Jose State University produced a total of 1,164 undergraduates in all types of engineering degrees. Of these, 70 were undergraduate civil engineers. The gender and ethnicities of these graduates are found in Table 6.

**Table 6. Santa Clara State University
Undergraduate Engineering Degrees 2011**

Ethnic Identification	No.	%
African American	0	0
Asian	21	30.0
Latino	13	18.6
White	9	12.9
International	4	5.7
Other & Unknown	23	32.9
Total	70	100.0
Gender	No.	%
Male	58	82.9
Female	12	17.1



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Disparate Impact Analysis Reports: 2007-2010

With an understanding of the District's demographic profile to put the reports into perspective, a summary of the findings of the existing disparate impact analysis reports is summarized below. These analyses were performed by the same independent consultant over the years so that the methodology is likely to have remained constant.

Documents that this audit was charged to consider in its analysis were the disparate analysis reports. The District contracts out its disparate impact analysis to determine if its handling of new hires, promotions and dismissals has an **illegal** disparate impact. Employee compensation by gender and by EEO class is also performed.

The reports for the disparate impact analysis for the fiscal years of 2007, 2008, 2009, and 2010 were explored along with the methodology used for generating the District data and the reports provided back to the District. No validation of the results or findings could be performed since the raw data was not available, the reports do not describe their methodology in sufficient detail, and their findings are reduced to a few sentences or tables in the transmittal letter. The report claims to use Federal OFCCP standards and the protocol of the U.S. Department of Labor. The service also seems to use the Peopleclick service to generate some of the numbers.

Each report includes voluminous statistical tables of new hires, promotions, and terminations as well as a salary equity analysis for the fiscal year just concluded. The summary results provided varies over the years and all results are not sufficiently explained.

In some cases, statistical tests are inappropriately used. For example, excessive numbers of T-tests are performed nearly ensuring false positives. The analysis by ethnicity was performed using T-tests lumping whites versus all other groups. The tests are performed on such small numbers they render the results meaningless.

In several cases, statistical terms are misused in the summary cover letter. For example, the October 2010 letter states, "standard deviations in excess of 1.96 should be considered red flags". Of course, 1.96 is not a standard deviation, it is a standardized score which indicates areas under the normal curve or a Z score. The table on page 2 of this same narrative has one column labeled 'number of standard deviations' for salaries with numbers in those tables ranging from 2.04 to 9.00. Standard deviations would be in terms of hundreds or thousands of dollars if this were a salary analysis. Z scores range from 0 to about 3. Regardless of the terminology issues, different methodologies need to be put in place for this analysis due to the salary compression issues at the District including the salary caps and regulated salary steps.

The t-Test (sic) is referred to as a cohort analysis and it is not. It is a general use parametric test with many accompanying assumptions that must be met if the results are to be stable and meaningful, not the least of which is that size is important to achieve



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statistical significance. If the number of cases tested is small, almost no amount of difference will be found significant. Statistical significance does not equate to a difference which is meaningful or important in the real world.

Some of the 'standard deviations' which were reported to be of concern in the report were calculated on job titles with as few as 2 people. These unstable estimates are a result of violation of the statistical test assumptions.

In sum, it is a confusing presentation that is not a useful tool for decision making in HR and would not likely stand up to close scrutiny if challenged.

There are also a few issues that deserves mention regarding the data provided by the District that do not allow the best use of the extensive amount of printouts that are returned. For example, applicant pools for hiring provided for the disparate impact analysis is grouped by EEO classification and is not provided by position. The entire period has not always been covered, but this glitch has been identified and remedied.

The salary data does not include information on a person's tenure with the District. Therefore, when a salary inequity was flagged by the disparate analysis, as it was in 2010, additional work was contracted to conduct a more in-depth analysis only to discover that the differentials were the result of tenure on the job.

As a result of these and other issues, no findings will be summarized here except to indicate that for each of the last four years, the conclusion of the disparate impact analysis reports was that the hiring, promotion and termination processes were not legally biased.



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Analysis of Salaries By Ethnic Identification & Gender

In addition to establishing if the face of SCVWD staff are reflective of the county, a brief overview analysis of equity in salaries was conducted. Table 7 first gives the mean salaries by EEO classification.

Table 7. Mean Salary by Job Classification

EEO Job Category	No.	Mean	Low	High
Officials & Managers	74	\$157,601	\$109,949	\$231,545
Supervisors	65	129,911	99,652	174,928
Engineering & Technical	117	124,846	92,352	159,016
Administrative Professionals	150	110,468	81,785	132,017
Scientific Professionals	35	112,479	90,292	149,385
Senior Technicians	35	100,095	81,785	118,061
Technicians	51	86,435	70,554	99,652
Service & Maintenance	45	86,071	102,138	47,028
Skilled Crafts workers	66	91,915	62,337	119,891
Senior Clerical	60	75,283	62,337	99,652
Clerical	11	64,783	62,338	65,220
Total	709	\$110,524	\$55,099	\$231.545

Next, a statistical analysis of the data (Table 8) reveals no statistical evidence of salary differential within the Federal EEO categories by gender or by ethnic identification. The basis for these conclusions are provided in the tables below.

Analysis of covariance was conducted for each of the job categories and then an analysis of all possible permutations of comparisons (t-tests) by ethnic groups were calculated and tested at the .05 level of significance. These results are shown in Table 8 below:

**Table 8.
Analysis of Salary by Ethnic Identification
Analysis of Covariance**

Job Category	No.	Model F Values	Probability*	Significant Difference Found Between Ethnic Groups?
Officials and Managers	74	1.13	.3495	NS**
Administrative Professionals	150	.78	.5387	NS
Engineering & Tech. Professionals	117	3.2	.0261	White & Latino White & Black Asian & Black
Supervisors	65	2.50	.0520	Asian with White, Black, Latino
Technicians	51	.85	.5039	NS
Scientific Professionals	35	.31	.8155	NS
Senior Technicians	35	.90	.4160	NS
Skilled Crafts workers	66	.59	.6261	NS
Senior Clericals	60	1.04	.3940	NS
Service & Maintenance	45	.46	.7645	NS

**=Probability can be interpreted as follows: the closer the number is to 0, the less likely the results are from chance; the higher the number, or closer to 1, the more likely there is no relationship.*

***NS= not statistically significant*

Given the finding that there were differences higher than would be expected among the engineering technical professionals as well as the supervisor categories, further analysis was undertaken to examine the nature and reasons for this result.

Because these categories are made up of different jobs and by people with varying years of experience at the District, an analysis which controlled for job title and by hire year was conducted. The numbers were naturally quite small, however, this analysis showed that the differences in pay was a result of years in the job, not ethnicity.

Table 9. Analysis of Salary Differentials by Job Classification and Gender

Job Category	No.	T Values	Probability	Significant Difference By Gender?
Officials and Managers	74	1.03	.3069	NS
Administrative Professionals	150	2.31	.0223	NS
Engineering & Tech. Professionals	117	1.01	.3137	NS
Supervisors (F=13)	65	-3.81	.0003	***
Technicians	51	1.76	.0850	NS
Scientific Professionals	35	1.90	.0669	NS
Senior Technicians	35	.28	.7809	NS
Skilled Crafts workers (F=4)**	66	.53	.5951	NS
Clericals (M=5)**	71	-1.23	.2200	NS
Service & Maintenance (F=3)**	45	.55	.5840	NS

**=Probability can be interpreted as follows: the closer the number is to 0, the less likely the results are from chance; the higher the number, or closer to 1, the more likely there is no relationship.*

***NS= not statistically significant*

***= the number of females or males are disproportionate and thus results are suspect. .*

In summary, the results of these various analyses do not mean because there are no statistically significant differences, there is equity. The data is difficult to analyze statistically due to the many job titles, the varying length of times a person is in the job, the salary step progressions, the compression issues at the District, the salary caps along with other statistical issues such as the uneven distribution by ethnicity and gender in some categories. One would not expect these analyses to show differences for these reasons. A more sensitive review on an individual case level would be required to be able to come a valid conclusion.

With an understanding of the demographic profile of the District, and salary pay levels by demographics, attention now turns to staff perceptions of the hiring and promotions policy and process followed by analysis of the data on staff hiring and promotions over the last five years.

Staff Perceptions of Hiring & Promotions

The 2009 cultural climate survey revealed that staff have a strong distrust of the hiring and promotion procedures at the District. Below is a summary of the findings from that survey which shows staff attitudes. The numbers represent those who agree or strongly agree overall, and then where there are differences by gender or ethnicity those breakdowns appear below.

30% of District staff overall believe hiring procedures are fair

⇒but only 22% of women and 33% of men agree

24% of staff overall believe promotions reflect giving all a fair chance

↓18% of those with no promotions agreed

↑33% of those with 3 or more promotions

↑62% of unclassified staff agree

↓8% of other ethnicities (black and native American)

Other findings from the analysis of survey comments and from personal interviews explains some of the reasons for their attitudes as outlined below:

External Candidates Bias. There is a feeling that hiring is biased toward external, historically under-represented candidates over internal staff. There does not appear to be uniform, post-interview coaching of employees who are not promoted, leaving them to wonder if the reasons for their failures were inappropriately based on personal characteristics, rather than work related skills.

Another source of bias District staff felt was unfair is that external candidates, unlike staff at the District, had the advantage of more opportunities to obtain professional development and on the job experiences that increased marketability.

Career Ladders & Sponsoring Inside Talent. There was a strong felt need for development of career ladders, increased access to professional development opportunities, and increased opportunities among young staff, including engineering staff, to take on meaningful and progressively more responsible work assignments.

“Managers are not encouraged to develop a talent base internally.”

“Internal candidates are not valued.”

“People aren’t told why they don’t get a promotion. They need to hear that and then they can trust the system. Otherwise, people think their {race} must be the reason that explains it {not getting the promotion}.”

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Generational Shifts. Asked about the issues facing the District, leadership shifts, finances and media image were at the top of the list. However, closely following is a deep anxiety that the District is not facing its next big challenge -- the transmission of knowledge to the next generation of District employees. Their anxieties include lack of career ladders, mechanisms to coach young staff, particularly engineering staff, lack of knowledge on how to develop talent, and absence of a District mentoring philosophy.

Temporary assignments into jobs are viewed as another inequity in the system. Because of the glitch in the current policy that only one MQ has to be met for a temporary assignment, people feel that managers' discretion is used and not always objective but favors their friends. The experience obtained through these assignments can later be leveraged to a promotion. As a result, these non-competitive temporary assignments are viewed as a giving an unfair leg up for future promotions.

Staff & Manager interviews were also performed as part of the 2009 and 2011 audits. Summary points and quotes from interviews regarding HR and the promotion practices range from negative to harsh. The quotes show that staff frustration is palpable:

- "HR staff are not trusted as people or as employees"
- "HR staff are paper pushers" and yield to the whims of management and unclassifieds
- "HR is a dumping ground" made up of people who have no technical/professional background for the jobs
- Interview panels are manipulated to ensure the 'right' people receive high scores.
- The screening process, including the choice of Subject Matter Experts is biased.
- "Questions and criteria for judging the responses are geared toward a manager's 'pet'"
- "Having internal people do the interviews is inherently biased. There are too many people who know each other and give advantages to one person over another for characteristics that are not relevant."

HR staff and other process owners show they also feel beleaguered, defensive and that changes are needed.

- District staff feel entitled to positions if they meet MQs and generally have unrealistic expectations about their chances. There were eligibility lists before and the feeling seems to persist that meeting MQs is really an equivalent of this old eligibility list.
- Training for how the recruitment process work should be required
- Succession planning will help develop a sense of responsibility for each staff to get the training and experience they need.

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- Internal staff often do not present themselves well in the interview process. They feel like they don't need to prepare or discuss what their accomplishments and experiences are.
- Managers don't step up to their responsibilities in the process, they don't talk to staff who did not get the promotion, but rely on HR to do that.

Mid-Managers have multiple concerns and, as in all organizations, are caught in the middle. Because of the practice of ignoring lines of authority at the District, and characterizations as inept, they often feel second guessed and at least partially marginalized. Mid-managers don't truly feel part of the leadership group and feel they would not be supported in difficult decisions. Staff on the other hand, perceive they relinquish their authority and the unpleasant parts of their jobs to their supervisors.

"We {managers} just feel exhausted..."
--District manager

Their feelings of not being supported, being unable to hold their staff accountable for poor performance due to the weak evaluation system, inability to deal with the District's dead wood, easy vulnerability to serious, anonymous charges of unfair treatment, sexual harassment or racial discrimination, together with the long tenure at the District, makes management difficult and the hiring decision a formidable one. *The hiring manager is not making a hire for a few years, but facing the possibility they are hiring someone who will be with them the rest of their careers at the District.*

Perceived Board Interference

Staff often cite the Board as one of the problems that management seems to be reacting to in terms of diversity and inclusion in hiring decisions. The complaint is that the Board is interested only in the 'numbers game' -- to count heads for ethnicity and gender but not understanding inclusion. The belief is that the Board uses their roles to award jobs at the District patronage style. These are staff perceptions, not validated facts, but are often repeated, well known and contain persuasive details. It is not the realm of this study to explore this, but the fact is that these are consistently perceived intrusions are viewed as real and naturally unfair by District staff.

Data Analysis: New Hires & Promotions

As evidenced by the staff perceptions discussed in the previous section, one of the primary, almost bitterly argued, complaints about the District has been the unfairness of hiring and promotions. In this section, the data of on new hires and staff promotions, both competitive and non-competitive (position upgrades) for the last 5 fiscal years is analyzed and discussed.

The data that was provided included the electronic files obtained from the IT department for each job action. The EEO Office committed on 8/29/11 to providing for the last three years minimum, if they could be found, these job action logs but unfortunately, none was

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provided: New Hire Log, Termination Log, Transfer and Promotion Log, Applicant Flow Log, Workforce Count Log. Because of this lack of information on the numbers of people who applied for a promotion or upgrade was not available, rates of success for each person applying is not possible. Therefore, the methodology of evaluating possible differentials will be to compare percentages of promotions, hires, reclassifications to the proportion in the population or District. This assumes that members of all groups are applying for raises, etc., at approximately the same rates.

New Hires Rates vs. Availability

There were a total of 84 new hires during the 2007-2011 period. Of these 60% were men and 40% female. Table 10 breaks out the hires and promotions by gender and ethnic identification and shows the differential from the labor force availability.

Table 10. New Hires by Gender & Ethnicity 2007-2011

Gender/Ethnic Identification	SCC Employed Labor Force	2007 - 2011 Hires	No.	Hire Differential with SCC Labor Force
Male				
White	27.20%	33%	28	6.13%
Hispanic	11.77%	11%	9	-1.06%
Black	1.50%	5%	4	3.26%
Asian	14.24%	11%	9	-3.53%
Am Indian	0.17%	0%	0	-0.17%
Other	1.79%			
Female				
White	21.23%	21%	18	0.20%
Hispanic	8.50%	4%	3	-4.93%
Black	1.20%	4%	3	2.37%
Asian	10.80%	11%	9	-0.09%
Am Indian	0.16%	1%	1	1.03%
Other	1.42%			
	100.00%	100.00%	84	

These numbers are based on the overall availability in the labor force regardless of occupational level. This data was compiled as only a suggestive rough gauge. These percentage variations cannot meaningfully be judged as evidence of existence of an issue due to the small numbers involved. In the absence of the availability of complete

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data which would provide the numbers of applicants, those who met the minimum qualifications, those who were interviewed, etc., in other words, data at each stage of the recruitment process, a file by file analysis would be the only way to ferret out definitive answers in a thorough manner.

Nevertheless, the data shows there is a higher than would be expected success rate in hiring for males and for blacks in the last 5 years and lower rates for Asian men and Latino women. The groups that had higher hire rates compared to the available labor force overall were as follows: white males, black males and black females.

Competitive Promotion Success Rates

During the 2007 to 2011 period, there were 95 competitive promotions at the District. A total of 63% of the promotions went to men and 37% to women. Given that the District is made up of 62% males and 38% female, the percentages of promotions appear to be what would be expected overall.

**Table 11. Promotions & Reclassifications
By Gender & Ethnicity 2007-2011**

Gender/Ethnic Identification	2011 SCVWD Employees	No.	2007 - 2011 Competitive Promotions	No.	Promotion Differential compared to District	2007 - 2011 Reclass Promotions	No.	Reclass Differential compared to District
Male								
White	33.15%	235	32%	30	-1.57	23%	17	-9.86
Hispanic	11.14%	79	13%	12	1.49	11%	8	-0.18
Black	4.51%	32	6%	6	1.80	8%	6	3.71
Asian	12.69%	90	12%	11	-1.11	14%	10	1.00
Am Indian	0.56%	4	1%	1	0.49	1%	1	0.81
Other								
Female								
White	18.62%	132	20%	19	1.38	18%	13	-0.81
Hispanic	6.63%	47	6%	6	-0.31	5%	4	-1.15
Black	2.68%	19	6%	6	3.64	4%	3	1.43
Asian	9.17%	65	3%	3	-6.01	12%	9	3.16
Am Indian	0.85%	6	1%	1	0.21	3%	2	1.89
Other								
	100.00%	709	100%	95		100%	73	



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For this analysis, the comparison benchmark numbers are not the labor force, but naturally the internal composition of the District. Using this method, most groups were on target with their representation at the District with two exceptions: black females were more likely to be promoted and Asian women less likely.

Black Females = higher rates - 6% of promotions vs. 3% at the District

Asian Females = lower rates - 3% of promotions vs. 9% at the District

Reclassification Success Rates

During the 2007 to 2011 period, there were 73 position reclassifications or position upgrades. A total of 58% of these non-competitive promotions or reclassifications went to men and 42% to women.

Again, the comparison benchmark numbers for this analysis are the internal composition of the District. Using this methodology, fewer groups were on target with their representation at the District. White men were less likely to be among those receiving a reclassification given their numbers. Black males and Asian women were more likely to be upgraded.

Underrepresented -

White Males: 23% of reclassifications vs. 33% at the District

Overrepresented -

Black Men: 8% of reclassifications vs. 5% at the District

Women: 12 % of promotions vs. 9% at the District

Summary of Internal Job Action Success Rates

When both promotions and upgrades are considered, women appear to be advantaged using percentages, but the numbers are small and the impact of the black women in this group raises the rate. Blacks were consistently more likely to receive a promotion or upgrade than any other group in the last five years.

**Table 12. Success Ratios of Promotions & Upgrades
By Gender & Ethnic Identification**

Group	% Chance of Promotion or Upgrade in 5 Year Period
MALES	23%
White	20%
Latino	22%
Black	38%
Asian	23%
FEMALES	34%
White	24%
Latino	21%
Black	47%
Asian	18%

**Hiring & Promotions Analysis of Recruitment & Hiring Pools
January 2010 to September 2011**

In previous section, the analysis focused on the current staff and the rates of internal promotions. In this section, data from all recruitments during the period January 2010 to September 2011 was pulled to explore how successful the District is in getting a representative pool of applicants to apply and then the success rates of individuals in landing the job. This was done in the absence of an electronically generated report.

There were 52 recruitments during this period. They involve internal promotions as well as external recruitments. While specific counts were unavailable, the HR recruitment analysts indicate that when an external recruitment is undertaken, the internal applicants are typically very low, from one to a few. There were at least three recruitments in this group which were for maintenance, mechanic and legal positions which had a high interest and for the maintenance and mechanic areas, traditionally low numbers of women applicants.

Data in Table 12 gives the numbers of applications received for the 52 recruitments during this period along with the Santa Clara Valley Labor Force statistics and the District's profile. The data indicate that Latino and black men apply at rates that are far greater than are in the labor force overall. Women of all ethnicities, except black, are under-represented in the candidate pool. This is especially the case for white women.



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The first two lines of Table 12 show the percentages of males and females in Santa Clara County and then the 2011 District labor force percentages. These two rows can be used to compare applicants through the recruitment process. For example, 40.1% of the applicants were white men, and they represent 41% of the Santa Clara working population and 33.1% of District staff. Latino females were 2.3% of the applicants but 5% of the labor force and 6.6% of District staff.

Applicant Representativeness. White, Latino and black men applied at higher rates than would be expected given their presence in the labor force; women of all ethnicities except black were quite substantially less likely to apply.

Minimum Qualifications. Of all applicants who applied, 87% overall met the minimum qualifications for the job they were seeking. White, black and Asian women were as a group less likely to be judged as meeting the minimum qualifications than men.

Decision Makers. The attention now turns to an analysis of the ethnic and gender composition of the decision makers in the hiring process: the assessment panels, interviewing/hiring panels, and the hiring managers. The numbers were calculated of necessity based on the total numbers of people in the process. Therefore, if someone was in an interview panel for two recruitments, they will be counted twice. In summary, the data show who were the staff who judged candidates on qualifications, and who interviewed and hired the successful candidate.

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**Table 13. Applicants & Recruitment Decision Makers
by Gender and Ethnic Identification - 2010-2011**

	Male						Female					
	White	Hispanic	Black	Asian	Am. Indian	U/K	White	Hispanic	Black	Asian	Am. Indian	U/K
SCC Labor Force	41.0%	6.0%	1.0%	13.0%	0.0%	1.0%	24.0%	5.0%	1.0%	7.0%	0.0%	1.0%
SCVWD Labor Force	33.1%	11.1%	4.5%	13.0%	0.6%		18.6%	6.6%	2.7%	9.2%	0.8%	
Applicants (n=1,357)												
No.	544	358	79	150	14	30	88	31	18	34	4	7
Percent	40.1%	26.4%	5.8%	11.1%	1.0%	2.2%	6.5%	2.3%	1.3%	2.5%	0.3%	0.5%
Met MQs (87.4%)	35.8%	22.9%	5.2%	10.0%	1.0%	2.1%	4.9%	2.0%	0.9%	1.9%	0.3%	0.4%
Did Not Meet(12.6%)	4.3%	3.5%	0.6%	1.0%	0.1%	0.1%	1.6%	0.3%	0.4%	0.6%	0.0%	0.1%
% Met MQs	89.3%	86.9%	89.9%	90.7%	92.9%	93.3%	75.0%	87.1%	66.7%	76.5%	100%	85.7%
Assessment Panel Composition (n=59)												
No.	23	10	2	8	1		10	1	0	4	0	
Percent	39.0%	16.9%	3.4%	13.6%	1.7%		16.9%	1.7%	0.0%	6.8%	0.0%	
Hiring Panel Composition (n=161)												
No.	47	18	3	38	1		20	18	3	12	1	
Percent	29.2%	11.2%	1.9%	23.6%	0.6%		12.4%	11.2%	1.9%	7.5%	0.6%	
Hiring Manager Composition (n=51)												
No.	19	2	1	9	1		7	4	2	6	0	
Percent	37.3%	3.9%	2.0%	17.6%	2.0%		13.7%	7.8%	3.9%	11.8%	0.0%	
Hired/Promotion Rates												
No. (n=52)	20	9	4	8	1		5	1	2	2	0	
Percent	38.5%	17.3%	7.7%	15.4%	1.9%		9.6%	1.9%	3.8%	3.8%	0.0%	
Ratio of Hires to MQs	4.1%	2.9%	5.6%	5.9%	7.6%		5.6%	3.7%	16.7%	7.7%	0.0%	

Notes: U/K= Unknown; Numbers in red highlight high negative differences; numbers in bold highlight high positive differences. These numbers represent the distribution of participants in 52 recruitments.

Assessment & Hiring Panels. Assessment panels varied widely in terms of gender and ethnic representation. This is also one of the areas which is viewed by District staff as susceptible to inappropriate influence or bias.

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The hiring/interviewing panels showed an over-representation of Asian males and Latino females. Interview panels were slightly under-represented by white women and blacks. *A side note finding was that during the data entry process, a Latino woman and two Asians made up an unexpectedly high percentage of the hiring panels across the recruitments.*

Success Rates by Gender and Ethnicity. The last line of Table 13 shows the success rate of hires among those who met minimum qualifications. With the average success rate of being hired 4% overall, the rates by group can be explored for variation from this average. Success ratios were calculated by using the number of people hired by the number who were judged to have met the minimum qualifications.

Those numbers indicate the most likely group to be hired are black females given applicants in the pool followed by Asian and white women. Black and Asian men had higher success rates than did white men. Latinos, both men and women, had slightly lower rates than the average rate during this time period.

Attrition of District Staff: Resignations & Dismissals

While there has not been in recent years concern about retention at the District, there have recently been concern that people of color were differentially impacted due to working conditions and firings. Table 14 examines this issue by providing rates by gender and ethnic identification.

**Table 14. Resignations & Dismissals by
Gender & Ethnicity 2007-2011**

	2011 SCVWD Staff	No.	2007 - 2011 Dismissals	No.	2007 - 2011 Resign- ations	No.	2007 - 2011 Retirements & Deaths	No.
Male								
White	33.15%	235	42%	5	28%	10	40%	37
Hispanic	11.14%	79	25%	3	3%	1	12%	11
Black	4.51%	32	0%	0	3%	1	4%	4
Asian	12.69%	90	8%	1	11%	4	9%	8
Am Indian	0.56%	4	0%	0	3%	1	0%	0
Female								
White	18.62%	132	8%	1	25%	9	18%	17
Hispanic	6.63%	47	0%	0	6%	2	6%	6
Black	2.68%	19	17%	2	3%	1	0%	0
Asian	9.17%	65	0%	0	19%	7	1%	1
Am Indian	0.85%	6	0%	0	0%	0	0%	0
	100.00%	709		12		36		92



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Leaving the District: Resignation, Retirement & Dismissal Ratios

There were 36 **resignations** at the District in the last five years. White and Asian females were more likely to leave than were other groups. Latino and black males were substantially less likely to quit.

Resignation Ratio Disparities

↓Hispanic & Black Males: 3% Less likely to leave

↑ White Females: 6% higher

↑ Asian Females: 9% higher

Given that the rates for a promotion or upgrade shows that white and Asian females are disadvantaged when it comes to promotions, it may be that these women are leaving for what they likely perceive to be better opportunities for success elsewhere.

Among those who **retired or died** while at the District, 40% were white males or 37 of the total 92 employees. The remaining groups were about what would be expected, taking into account the small numbers in some of the demographic categories.

Dismissals, or releases as they are referred to at the District, are rare. There were 12 in the last 5 years. Because of the very small numbers involved, it is difficult to draw conclusions confidently regarding any ethnic or gender disparities. However, the numbers are from official sources and they cover a five year period which should eliminate annual anomalies.

A total of five white males (41%) were among those fired, while they represent 33% of the District Staff, so higher than their representation at the District. Three Latinos and two blacks were also released, also at higher percentages that would be expected. On the other hand, Asian men and white women were substantially lower.

With these sizes of differences, perhaps a way to evaluate further the question of bias is by examining whether these decisions were challenged.

Summary

While there may be solid business reasons for the differences found in these analyses, and it may be that the small numbers have influenced the numbers, it does appear that some groups are advantaged in the promotion and upgrade process. Asian and Latino women may also be an issue in terms of under-representation and they appear to be leaving the District at higher rates as a result. Finally, while there may be good reasons that the white male upgrades are low, it deserves to be looked into to determine the reasons for the anomaly.



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CLASSIFIED EMPLOYEE EVALUATION PROGRAM (CEPP)

"Unit Managers and Supervisors – Unit Managers and Supervisors have the responsibility to exercise appropriate authority over staff to ensure that District work is complete and that employees comply with the District's standards of behavior. Unit Managers and Supervisors must ensure that acts of discrimination and/or sexual harassment are not tolerated and that performance ratings are fair, consistent, and intended to assist employees in improving their abilities."

Source: District HR Management System Framework Document no. Q621D01

The District's evaluation system and format were introduced in 1992. It is currently being performed midyear and annually. In the past, there were issues with compliance of managers to complete and submit the forms. In 2011, District management started to enforce the policy and states there is now near 100% compliance.

The form is made up of four sections, the first and most substantial section is devoted to work plan and job priorities, and the second to training and development opportunities, the third consists of evaluation of professional attributes including work effort, knowledge, judgment, teamwork/ leadership and customer service. The fourth section provides an overall judgment for the mid-year and annual administrations.

The performance rating system uses three classifications: Needs Improvement, Meets, and Exceeds. These 3 point systems are viewed in the HR field as being the least subjective. However, they are also less able to provide differentiation for high performers.

The charge of this analysis was to review the policies and other data provided for evidence of obstacles that would impede fair treatment of employees in terms of diversity and inclusion. Review of the AD 2.7.1201 CEPP program and the Classified Employee Performance Program collaborative document dated February 2010 were the guiding documents included in the analysis along with forms and a memo of instruction to managers. In addition, data from staff surveys, interviews with managers and other staff obtained information on the utility and use of the evaluations. In addition, since not all evaluations are entered into a computer system, statistical analysis was not possible. Therefore, although the charge of this study was not to review individual cases, a manual 15% review sample of the evaluations for FY 2011 was conducted. Analysis based on each of these data sources is discussed below.

Manager & Staff Perceptions

Staff perceptions as measured in the 2009 staff survey were positive toward the annual review process with 72% indicating it was helpful. Staff with longer years of service felt as though they were less likely to benefit. The majority, 71%, also believed the evaluation of their job evaluation was fair and accurate.

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Information on the attitude toward the evaluation system was also collected in the 2011 audit interviews. During these interviews, staff and supervisors alike felt the process itself was not an issue, but at the same time, that it was not used or taken seriously.

Findings from the 2011 staff survey indicated that 20% of the comments concerned performance problems that were ignored. This is consistent with the findings from the 2009 cultural assessment. The major themes in 2011 in order of number of comments received were as follows:

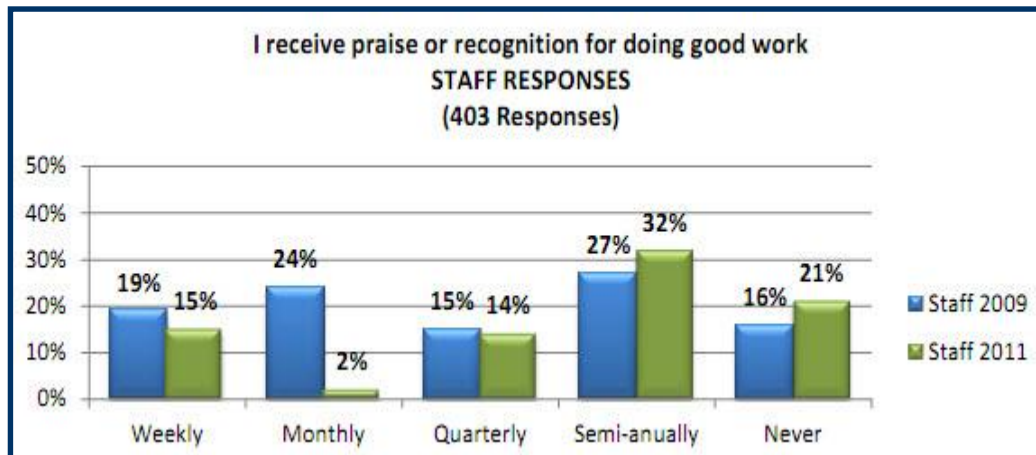
- ▶ Accountability – Work Quality
- ▶ Management Performance
- ▶ Disparity of workload assignments
- ▶ Absences and/or Tardiness
- ▶ Non-Performing Staff Shuffled Around The District
- ▶ Accountability – Work Deliverables
- ▶ Productive Staff Given Extra Work To Make Up For Non-Productive Staff

Staff Who Agree to these Statements in the 2011 Survey ...

- My job responsibilities are clear to me: 86% Management and 78% Staff agree
- I receive praise or recognition for doing good work at least semi annually: 84% Management and 79% Staff agree
- My manager has checked in with me on my work assignments, goals and professional development in the last six months: 83% Management and 71% Staff agree
- People feel safe to express a difference of opinion w/o fear of retaliation: 44% staff agree
- There are reasonable and timely consequences for poor performance: 39% of staff agree
- I am able to contribute to the maximum of my skills and abilities: 69% Mgmt and 57% Staff
- I am consulted as a valued member of the team: 74% Management and 73% Staff

Recognition of Quality at The District

There are few ways the District recognizes excellence and strong employee performance. Comments from the surveys, interviews and the surveys themselves indicate there is lack of recognition for good work and a frustration that hard work and skill are not recognized. One of the key feelings of inequity is this lack of recognition and its accompanying lack of accountability for the low performers -- including the supervisors who tolerate them.



Source: District 2011 Survey
NB: 2011 monthly percent is inaccurate; should be 18%

These frustrations with low performers will likely become more strident as the workforce is reduced. The District culture is often characterized as being short term focused and tactical. Staff to managers indicate it is check-box culture, not concerned with quality but focused on getting a task done and the immediate task at hand rather than looking at the long term implications. Below are a few representative comments about the culture of quality, the evaluation system, feelings of fairness, and accountability.

"{staff at the District} will perform work which they KNOW will fail, they KNOW we will have to come back a year later and fix it again. That doesn't matter. They just need to say, it's done, not that it's done right.

"I don't feel the organization in general is very comfortable discussing difficult issues or being confrontational. This makes accountability challenging. I have a person of color as a staff member and I often feel that I won't be supported in holding this person accountable because it is felt he will play the "race" card. This makes effective management difficult."

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"I have been told not to write anything negative {in the review} because it would just cause me trouble and impact my career at the District.. They can complain anonymously and then your hands are tied..." - Manager

"There are a lot of us working out of class with no recognition. Not even a thank you and we will get you promoted."

"I still report to a ..{person}... who knows nothing about {their} job. I work with staff who does {his/her} job for {him/her} and {they} get no recognition. I still get stellar reviews with no pay increase and no promotional opportunities. I observe that there are other employees with my same job classification who do about half the work I do with less skill. I find no opportunities that support my advanced degrees or allow me to apply my education. I am running out of opportunities to learn."

"One of the performance measures of "managers" should be meeting diversity and inclusion goals."

MLT Evaluation of CEPP Forms

A survey done by the MLT in 2011 of District supervisors and managers also explored their assessment of the process. Table 15 gives a summary of findings:

Table 15. Manager Perceptions of the CEPP

Question	% Yes
Does the CEPP form meet your needs as a supervisor/manager	39%
Do.. we need to have more choices on the ratings?	59%
Is the current form too time consuming?	25%
Does the current form help in providing feedback to the employee?	78%

Analysis of 2011 Sample Evaluations

Summary findings of the analysis of the 15% review by two raters of actual evaluations submitted in FY 2011 are provided below by each section:

Section 1. Work Plan Job Priorities on the whole are fairly well defined and detailed. These appear to come from the staff's job duties.

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Section 2. Work Plan Training and Development opportunities revolve around safety and office efficiency. About a third of the evaluation sample had job related external training. Professional development and abilities improvement, seemed limited to 'Needs Improvement' ratings, because it is required, rather than a more positive focus on the employee's future career growth.

"We still tend to associate good leadership with those male qualities of being tough and strong where, in fact, being nurturing and inclusive and collaborative is just as effective, if not more." -- Rev. Ruth Garwood, National Religious Leadership Roundtable

Section 3. Professional Attributes exhibited the most inconsistency of any of the sections. Over half had no comments and none identified future professional development needs.

Section 4. Overall Performance Rating had inconsistencies in terms of what was written to justify a rating of 'Exceeds' versus 'Meets'. Lacking were discernible patterns or relationship between all parts of the evaluation. For example, there did not seem to be a systematic standard to link a rating from Section 3 to a rating of 'Exceeds' in the overall rating, although all had written justifications now.

Support for the 'Exceeds' rating for most candidates were vague and without justification or reference to a standard criteria, instead there were examples such as "dollars saved" or "improved efficiency". There is often no clear link to the District's mission or how the person made an exceptional contribution. There were, likewise, no comments on how one could improve their ability in the future or managerial direction for next year's development.

Reviews are highly impersonal. Only about a third of the reviews had a positive comment about the employee or working with the employee.

Some managers seemed to have a higher performance rating standards than others. In a significant number of reviews, there was not sufficient information presented that would allow or encourage an honest and open conversation about performance. This lack of clarity breeds suspicion and makes it difficult to assist the employee to now how to improve abilities.



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Overview & History of Diversity & Inclusion at the District

Over the past fifteen years, the District has supported a number of programs to foster and integrate diversity into its daily business practices. In 1995, the District began preparation of the annual Equal Opportunity/Non-Discrimination Plans (EO/NDP). In 1996, the CEO sanctioned the affinity group called FORUM (Fairness Opportunity Recognition Understanding Multicultural) and a Hispanic organization. In 1996, a cultural audit was conducted and its results were released to the Board.

In terms of equal opportunity, passage of Proposition 209 in November of 1996, marked a turning point for public agencies. It prohibited public institutions from considering race, gender, and ethnicity in hiring, contracting, or other programs, essentially ending the District's affirmative action plan. In May 1997, the District revised its employment and other policies and shifted focus to implementation of multiple diversity projects focused on EO training, Discrimination Complaint procedures, contract compliance and diversity awareness and outreach programs.

Shortly after these changes in 1997-98, the Santa Clara County Civil Grand Jury disclosed that it had commenced an investigation into allegations of racial bias and harassment. The 1999-2000 Grand Jury issued its report in 2000 and in response; the District developed and implemented a 2000 EO/NDP. Key elements of the plan included:

- Quarterly and annual progress reports
- Supervisor/management leadership academy
- Development of a database to record, track, and report data on all EEO/harassment complaints
- An EO Advisory Committee
- An EO/NDP that included compliance and diversity training for all staff

In 1999, the Board of Directors adopted a new governance model which included statements in the policies regarding the value of Diversity and Inclusion of all people.

Resources: Staffing & Budget

In 2004, the Office of Ethics, Diversity, and Inclusion was formed with an Assistant Administrative Officer as lead along with four full time staff members. The Equal Opportunity Program function has been administered through Human Resources which



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included the Equal Opportunity/Non-Discrimination Plan. This structure remained until 2007 when the ethics function was re-assigned to HR.

In 2010, the office was again restructured and personnel assigned to the program were reduced from four to one full time staff person. Two staff from the department were reassigned to other offices within the District and one was released. In support of the full time staff remaining, 750 hours are assigned to the program and distributed among 3 staff members in the CEOs support office. These hours are structured to provide accounting assistance, staff support and assistance with ERG activities.

The early FY budgets of the Diversity & Inclusion Office (excluding EEO and Ethics) while it was under the Office of the CAO were as follows.

FY 2006 - \$1,665,860
FY 2007 - \$1,949,508
FY 2008 - \$1,286,222
FY 2009 - \$ 847,480
FY 2010 - \$ 396,666
FY 2011 - \$697,027
FY 2012 - \$516,630

The expenditures starting from the transitional FY 2008 to FY 2012 budget are shown in Table 15. The fiscal year budget in 2010-11 was \$697,027 while expenditures were \$456,083. The 2011-12 budget going forward is currently \$516,630.


In addition to staff officially assigned to the unit, 2,400 hours have been allocated to ERG officers to attend D/I Council meetings and to support the work of the program. These hours are thus spread out across the District. Each of the four officers of the 9 ERGs (and Associated Women Employees) is allocated 60 hours per year for a total of 2,400 hours. Of the 2,400 hours budgeted for ERG participation, only about 770 were used, or about 32% of available funds. The budget for ERG activities showed little activity: \$11,000 was budgeted while only \$832 was expended.




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Table 15. D/I Office Expenditures & Budget - FY 2008-2012

Budget Item	FY08 7/1/07 - 6/30/08		FY09 7/1/08 - 6/30/09		FY10 7/30/09 - 6/30/10		FY11 7/1/10 - 6/30/11		FY12 7/1/11 - 6/30/12	
	Expended		Expended		Expended		Expended		Budgeted	
	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
D&I Staff(including benefits and taxes)	1,685	\$115,657	5,181	\$561,349	2,307	\$214,897	2,312	\$196,890	1,947	\$171,461
D&I Staff Assistance										
Accounting Budget Support					900	\$83,835	90	\$7,664	400	\$35,226
ERG Assistance							830	\$70,683	400	\$35,226
D&I Council Meetings Labor Costs 60 hrs x 4 officers x 10 ERGs	324	\$22,239	239	\$25,895	482	\$44,891	545	\$46,413	2,288	\$201,490
D&I Regular Labor Cost (incl benefits)	2,009	\$137,896	5,420	\$587,244	3,689	\$343,623	3,777	\$321,650	5,035	\$443,403
Travel for Professional Conferences		\$0		\$11		\$2,359		\$11,667		\$10,000
Sponsorship of Community Events		\$14,790		\$19,630		\$10,970		\$23,590		\$9,300
ERG Activities - Direct Expenditures		\$0		\$3,244		\$0		\$5,404		
Expenditures Other		\$30,320		\$3,301		\$2,375		\$3,855		\$20,700
Agency, Assns & Prof Memb.		\$150		\$0		\$0		\$2,235		
Misc. Services and Supplies		\$8,507		\$741		\$437		\$67,441		
Other Admin Supplies		\$2,729		\$3,308		\$525		\$93		
Total S&S		\$56,496		\$30,235		\$16,666		\$114,285		\$40,000
Internal Services		\$13,192		\$29,252		\$18,809		\$20,148		\$33,227
GRAND TOTAL		\$207,584		\$646,731		\$379,098		\$456,083		\$516,630

 The District is to be commended for the commitment it has shown and the resources that have been allocated to the Diversity & Inclusion Program, its support for the employee affinity groups, and involvement of its top managers, including the CEO to the program. No comparison agency in the state has a program of this scope. The priority at the District has placed the program and its structure with the Top 50 Diversity Inc. benchmarks.

 The FY 2010-11 was a time of great transition including the restructuring of the office, loss of its full time team and limitations on use of funds for heritage events by the ERGs. Nevertheless, it appears that the budget warrants re-structuring to make more efficient use of the funds available to ensure efforts are sharply focused on the goals set out in the 2012-14 Master Plan.



Diversity & Inclusion Master Plans & Accomplishments - FY 2007-2012

The program has a long history of developing master plans to guide its activities. In this section, a summary of the goals and accomplishments will be provided. After establishment of the office in 2004, the first master plan appears to have been completed for FY 2007. The most recent Master Plan includes tactics, strategies, as well as a project implementation plan with timelines and responsibilities assigned. Accomplishments for the program were found in a variety of documents including the Master Plans as well as in separate memos and reports. The complete text of the plans are provided as Appendix 2. Documents summarizing accomplishments in other formats are provided as Appendix 3.

In the narrative below, each of the plans is summarized and encompasses goals, activities, and accomplishments included in the planning documents.

Master Plan of 2006-7

This plan was prepared under the direction of the **Assistant Administrative Office and Ethics, Diversity & Inclusion**. The report includes an informal assessment of the status of various activities that were done since 2004 when the office was first established. Noted among the 2005-6 accomplishments which survived to the present day include:

- ✓ Developing ERGs & guidelines
- ✓ Conducting diversity training
- ✓ Planning cultural events and Diversity Day
- ✓ Planning women's focus group as part of the Women's Initiative Task Force
- ✓ Establishing a Diversity & Inclusion website
- ✓ Community sponsorships

At that time, the plan noted that in 2004, there was a feeling among staff that heritage day events had become too extravagant, that there were not enough African American women in leadership roles, and that the District needed to move beyond counting heads and toward inclusion.

The business case goals at this time were developed and included:

- Enhancing cultural competence of all District employees
- Working to removed perceived reverse discrimination
- Addressing communication issues
- Achieving buy-in from all employees
- Encouraging people to come out of their comfort zone



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Activities for the following years were to focus on education and training, a woman's initiative, developing another five year plan, and developing ways to hold managers accountable. Three overarching formal goals were also listed:

1. Encourage and maintain a highly skilled and high performing workforce through employee development and diversity education.
2. Integrate diversity and inclusion into District policies and procedures.
3. Demonstrate effective and internal communications to a diverse audience. (Internal, external and a website presence)

The goals included in this plan were to begin to institutionalize D/I practices into the business systems and by 2009-10, be an "Employer of Choice" in the area. Other metrics which were evaluated at the time include the percentages of women and minorities in the workforce.

Accomplishments FY 2008

The Diversity & Inclusion Summit was held whose goal was to re-ignite momentum in diversity by updating the diversity master plan for the next five years.

Master Plan 2020 - 2006-2008

There was another plan published in 2007 reiterated the goals and structure set out in the earlier 2006-8 report. It also includes a good history of the diversity and inclusion efforts at the District.

Master Plan Status Report for FY 2008-2009

The goals of the plan were identical to those listed in the 2009-11 plan. This document listed the program accomplishments:

- Development a D&I Communications Plan
- Began management leadership training at an MLT meeting
- Hosted 7 community events
- Sponsored 6 diverse community outreach organizations

A brief summary of ERG activities was also included:

- 12 noon hour events were scheduled to celebrate diversity and other cultures

"When you have experienced being invisible, not heard, and passed over, you develop a burning passion for being inclusive because you know the costs of missed opportunities." --- Floyd Keith, Executive Director, Black Coaches Association.



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- ERGs were allocated \$23,000 for events and \$3,244 was used. ERGs which had no expenditures include: ABE, Indo-American Association, Parents' Advisory Network.

2009-2011 & 2009-2010 Master Plans

A major focus for the 2009-11 plan was workforce planning including succession planning, and leadership development. The goal was to integrate diversity and inclusion into these plans. Other goals included in both plans included:

- ✓ Communicate and engage diverse communities to ensure a common understanding
- ✓ Managers will understand and model positive D/I behavior
- ✓ Build and sustain a diverse workforce that embraces and implements D/I concepts
- ✓ Assess impact of D/I program
- ✓ Ensure policies and procedures are fair, inclusive and respectful of gender differences
- ✓ Leverage efforts of ERGs to build inclusive workforce

Accomplishments FY 2010. The FY 2009-2010 Master Plan listed the 2010 accomplishments of the program consistent with the goals of the plan:

- ✓ Continued monthly training of management
- ✓ Develop tools to assistant managers to talk with staff about diversity and inclusion including a poster, video, and brochure.
- ✓ Webinars were held
- ✓ ERG events were held and 6 other events were hosted
- ✓ The 2005 Women's Initiative recommendations were developed into an action plan by the D&I Council in 2009.

A July 19, 2010 Board Agenda Memo also summarized the program for the 2009-10 fiscal year beginning with an overview of the number of recruitments and promotions. Accomplishments listed were the cultural assessment survey. Areas of strength and areas needed improvement were identified. An action plan was development and distributed to employees in April 2010. Other initiatives during this time included:

- ✓ D/I Communication Plan - to educate staff on goals
- ✓ Multi-Lingual Program - to identify staff with various language abilities
- ✓ Diverse Professional Organization Outreach - with a goal of developing a diverse talent pool and enhancing the District's image, including a video and poster.



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- ✓ Complete a cultural assessment study via a survey and interviews with staff
- ✓ Developed an action plan in response to the cultural assessment completed
- ✓ Hosted 7 community events
- ✓ 6 internal events by ERGs were held ranging in size from 9 (Parents Advisory Network to 74 (Veterans Awareness)
- ✓ Black and Indo-American History Month were cancelled. (Source: 2009-10 Master Plan, p 19)

Key metrics to measure future success include:

- Complete the D/I Master Plan objectives
- Complete the action plan from the 2009 cultural assessment
- Conduct a new survey to measure trends and program successes

A meeting with the ERGs and Director Santos was held in April of 2010. During this meeting a number of concerns were identified and an action plan developed. The status of the actions from this meeting was updated on 9/29/2010. (Appendix 3)

Accomplishments FY 2011. Activities during this period included a variety of webinars, meetings regarding the program with external audiences and internal groups. The Council was restructured to include 11 EEO job classes. Other accomplishments included:

- ✓ Developed a new D/I Master Plan for 2012-14
- ✓ Updated the Communication Plan
- ✓ Developed a D/I brochure
- ✓ 17 community sponsorships
- ✓ Participated in 6 diverse professional organization conferences

Diversity & Inclusion 2012-2014 Master Plan

The current 2012-14 plan was designed under the purview of a new Diversity & Inclusion Council and with the oversight of the CEO and acting program manager. It is the most concrete and measurable plan that has been developed thus far. It contains goals as well as strategies and tactics for accomplishing these goals:

- A. Recognize and understand the community we serve***
- B. Enhance outreach to the community***
- C. Attract, promote, and retain the best talent***
- D. Apply creative and innovative {technological} solutions***
- E. Educate our workforce***
- F. Sustain an inclusive work environment***



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For the first time, each of these abstract goals is explicated by specific strategies which are action oriented and thus geared to move the District along a path toward accomplishment. In addition, specific tactics or actions are delineated. The plan is further enhanced and given strength by an implementation or action plan in matrix format that indicates timelines for each tactic and responsible parties. (See Appendix 4. Master Plan Implementation Resources Projections 2012-2014.)

The successful implementation of the plan is greatly enhanced by fleshing out these goals. As the District begins implementation, the next enhancement would be to develop specific metrics for the goals in terms of impacts and outcomes, not process, to track progress toward accomplishment. These metrics will be meaningful District-wide, but should also be developed for each of the Chief's areas of responsibility.

"You can build a ramp to get anyone into a building, but it truly is the attitude that facilitates real inclusion. If the people inside the building don't see the value of the individual and don't want them there, then true inclusion does not happen. Christina Smith, The Arc of the Mid-Ohio Valley"

2012 Project Action Plan

According to the FY 2012 Project Plan the program objectives of the Diversity & Inclusion Program are to:

1. Implement the 2012-14 D/I Master Plan that includes long term objectives, strategies, and tactics to create, promote, and sustain diversity and inclusion.
2. Develop and implement communication strategies for informing and engaging employees in diversity and inclusion.
3. Develop the Employee Resource Groups (ERGs) to assist with implementation of the tactics of the D/I Master Plan.
4. Leverage external organizations to enhance recruitment and to communicate the District's messages through sponsorships.
5. Develop performance and monitoring mechanisms to measure effectiveness of Diversity & Inclusion Master Plan.

The key milestones were to:

- (1) Conduct a single survey incorporating diversity and inclusion, workforce satisfaction, and ethics by June 2012.
- (2) Present an annual progress report on Diversity & Inclusion to the Board of Directors by May 2012.



Employee Affinity Groups: ERGs & AWE

A key component of the District's D&I program is its heavy reliance on the affinity groups which have been organized over the years. Currently, the District recognizes and has chartered 9 employee affinity groups, called Employee Resource Groups (ERGs) plus the Association of Women Employees which is a 503(c)5 formed in the 1980's. The ERG charter applications and by laws where available are provided in Appendix 5. Appendix 6 shows the individual web site fact sheets for each ERG/AWE. These are listed below along with the reported membership and documentation provided. According to the self-reports of membership, 40% of staff belong to ERGs. The 2009 survey indicated that 29% were members.

Table 17. Affinity Group Membership, Activities and Expenses 2010-2011

Affinity Group (ERGs & AWE)	No. of Members*	Charter or By Laws?	Fact Sheet from Web?	Annual Report	FY 2010 Expenses+ (\$1k max)	FY 2011 Expenses+
Asian Pacific (APRG)	27	yes	yes	No	\$950	
Association of Black Employees (ABE)	25	No	yes	No	0	
Association of Women Employees (AWE)*	86	n/a	yes	No	\$210	
Baby Boomers	13	yes	no	No	--	
Disability Awareness	N/A	No	no	No	\$325	
Indo-American Association IAA	25	yes	yes	No	0	
Lesbian, Gay, Bi, Trans/Straight	34	yes	yes	No	\$850	
OLA - Organization for Latino Affairs	64	yes	yes	No	\$977	
Parents Network		No	yes	No	\$300	
Veterans Awareness	37	yes		No	\$184	
Total Membership	284	--	--	No	\$3,797	\$836

*Self-reported numbers with the exception of AWE which provided a membership list.

+ Expenses are only those funded by the District.



ERG Structure, Policies and Procedures

There is an extensive and well developed 13 page policy last revised February 2011 along with multiple forms and process descriptions to guide the ERG groups along with requirements to be chartered as an ERG by the District. There is also a 24 page publication entitled ERG Guidelines which is a well organized introduction to the ERGs and requirements to become recognized by the District. Topics for these documents include forms specially designed for ERGs to make budget requests, use of facilities, request for food vendors, reprographics and A/V services, etc. There is a detailed records retention schedule for these forms and documents.

Criteria for ERG status is clearly outlined indicating that a group must:

- 1) Represent major components of the way people identify or define themselves
- 2) Explain why the group wants to be an ERG
- 3) Serve as a resource to the District
- 4) Serve as an extension to the community
- 5) Promote the District as a good place to work
- 6) Welcome employees not of the same affinity
- 7) Abide by all District Policies and procedures and values
- 8) Not take responsibility or advocacy for any individual employee concerns
- 9) Assist the District in recruitment and retention efforts
- 10) Not represent District employees regarding terms and conditions of their employment

Each ERG is required to have an executive manager to guide the group. These sponsors may be unclassified (executive managers) or mid-managers (manager sponsors). The roles of these sponsors are extensively identified in the documents described above.

Internal Events. There are multiple, specific requirements for each ERG event to be evaluated including one day after the event, and a final report to the D/I Council within 45 days of the event. These reports, where available, are included as Appendix 7 and Appendix 8 includes evaluation of some of those events. Compliance with this requirement is unclear.

External Activities. ERG members are encouraged to participate in external activities with a nexus to the D/I program business case as described in the Master Plan. Compensation for this participation is required to be approved by the D/I program manager and the staff's unit manager.

Required Reports. In addition to the summary evaluation and report of each event to the D/I Council, these events are also to be summarized in a fiscal year end report. An annual fundraising report is due at the end of the fiscal year 4th quarter. These reports are not being done at the present time.



**DIVERSITY & INCLUSION
COMPREHENSIVE AUDIT**

The D/I Program Manager is to review and publish an Annual Report which is submitted by all ERGs at the end of the 4th Quarter every fiscal year. The report is to document the ERG activities for the year, with impacts, problems/issues, lessons learned as well as the ERGs expenditures. (Source: p. 6 ERG Guidelines, item A6)

ERG Activities

Annual Reports & Activities. Annual reports for the ERGs, even though required by District policy, are not being collected at this time. As a result, there is no information on activities. The expenditures -- which will be used as a proxy indicator for activities -- shows that in 2009-10, there were \$3,797 of expenditures by ERGs. Some ERGs had no expenditures and others had expenditures but did not report event attendance.

The FY 2010 expenditures by ERG are shown in Table 18 below along with the attendance reported at events. The attendance for 2009-10 totaled 228, a decline of 28% from FY 2009 when the attendance was 315.

Table 18. Affinity Group Expenses & Event Attendance 2010-2011

Affinity Group	FY 2010 Expenses (\$1k max)	FY 2010 Reported Attendance at Events	FY 2011 Expenses (\$1k max)
Asian Pacific (APRG)	\$950	0	
Association of Black Employees (ABE)	0	0	
Association of Women Employees (AWE)*	\$210	26	
Baby Boomers	--		
Disability Awareness	\$325	0	
Indo-American Association IAA	0	0	
Lesbian, Gay, Bi, Trans/Straight	\$850	34	
OLA - Organization for Latino Affairs	\$977	57	
Parents Network	\$300	37	
Veterans Awareness	\$184	26	
Total	\$3,797	228	\$836



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Source: 2009-10 D/I Master Plan, pp. 19-21

Maturity Matrix Survey. A member of the Diversity & Inclusion Council conducted a survey in fall of 2011 of ERG leaders and members to evaluate the 'maturity' of their ERG. The idea was to assess how well established the ERGs were based on a number of dimensions: governance and structure, talent acquisition and retention, professional development, community participation, leadership commitment, governance and structure, funding, and internal influences.

The survey was modified to suit a non-profit entity. Six of the 9 ERGs & AWE responded and rated the overall level of growth of the ERGs as one level above foundational on a 4.0 rating scale. The commitment of leadership was ranked as higher, but in terms of impact and organization, the ratings were lower. (Appendix 9)

Perceptions of ERGs

As discussed in the first section of this report, District staff perceptions of the ERGs have been and continue to be in this round of data collection, poorly thought of and often seen as social clubs or vehicles to promote individual agendas.

The 2009 cultural assessment gathered information on perceptions of the ERGs, as discussed in the first section of this report. The Association for Black Employees (ABE) is most often cited for perpetuating the idea the organization is racist and for promulgating a personal agenda. Succinctly, District staff feel the ERGs were positive at first, but have outlived their purpose; that they are divisive and have not made the transition to support the work of the District.



Diversity & Inclusion Council

During the period 2007 to 2010, there were three groups which provided leadership for the D/I Program: (1) The Executive Diversity & Inclusion Council; (2) The Diversity Council, and (3) the ERG Leadership Group, and AWE, the Association of Women Employees which is a 503(c)5.

In 2010-11 these groups were merged into one inclusive group, the Diversity & Inclusion Council which now encompasses the CEO, Chiefs, ERG leadership, members from the unions as well as staff from 11 job groups (referred to as non-ERG members in this report).

Three focus groups or listening sessions were held with this body, one with ERG and job group members combined and then two with just ERG leaders and the non-ERG members of the Council. The ERGs are not comfortable with the non-ERG members. The non-ERG members are likewise not comfortable attending the meetings, did not understand their role, indicated their role was frowned upon with their colleagues and generally feel out of place since they don't represent a larger group. Neither group felt the Council was an effective way to get the work of the program accomplished. A lack of confidentiality among members, lack of all Chiefs attending render discussion of difficult issues impossible.

Some members of the Diversity Council who do not represent an ERG expressed confusion about their role and feel marginalized in part due to the presence of ERG leadership in the Diversity & Inclusion Council.

Attendance at the D/I Council is based on who can attend which leads to different individuals being present. While the motives for this practice are totally understandable, to ensure representation, this practice may not lend itself to building a predictable membership at the meeting or one where one can expect confidentiality. It seems important to develop the Council into a trustful, confidential group of individuals who are held accountable for assignments and what they are expected to do, just as any committee or work team at the District. The current composition and procedures do not seem to lend itself to strong expectations of accountability or productivity.

In FY 2011, about 2,288 hours or approximately \$200k were allocated for ERG officer's work with the Council, however only about 32% were utilized. This under utilization is evidently a pattern over the years. Therefore, it appears these funds can be reallocated and more productively utilized to pay for time of process owners and other individuals who can be held accountable for accomplishment of goals of the program and organization.



Diversity Council Best Practice

Diversity Councils typically operate in the realm of a semi-informal structure characterized by short term planning and limited accountability. They are usually activity based and may also fulfill an advisory role. Membership of these types of councils vary widely and usually represent many parts of the organization and job functions. The metrics for these Councils usually focus on activities such as trainings. There is no accountability and this model can prove to be risky if it is the primary hallmark of the program.

Types of Diversity Councils

A survey of diversity council Best Practices among large corporations show a variety of structures for diversity councils, not all of which are relevant to a non-profit organization such as country specific and regional councils for multi-site organizations. Following is a description of those which may be applicable to the District's situation.

Executive Diversity Councils. Membership consists of executive leadership with CEO and chief diversity officer leading it. Members have responsibility for all functions in the organization and as such can be held accountable for developing strategy and implementing it.

Business Unit Diversity Councils. Membership draws from a large spectrum of people in the organization including different job groups, affinity groups, abilities and thinking styles. These councils can be strictly advisory or part of the business operation. Metrics apply to individual business units and may include such activities as program development, heritage events, newsletters, mentoring, etc.

Supplier Diversity Councils. Membership in this type of council includes partnering with employees, vendors and government agencies. The group helps to determine ways to communicate with and encourage bids from small and disadvantaged businesses.

External Diversity Councils. Members of these groups may be used as an advisory board and are often recruited from business, government, academia, citizen groups, etc., to offer a broader perspective on issues and accountability for diversity.

A Diversity Council who seeks to make a difference needs to reflect all levels, divisions and functions within an organization. Representatives with these characteristics should be sought out for membership:

Clout, Respect and Credibility. Council members should not only be advocates but also critical thinkers and planners and thought leaders in the organization.




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Strategic Perspective & No Personal Ax to Grind - Members who volunteer for D/I Councils sometimes are there to solve an issue of personal interest. But Council leaders must have the ability to represent all viewpoints - an objective citizen of the organization. The Council needs people who understand the big picture as well as the operational details. Controlled passion, including people who care to make positive change and who can be sensitive to all constituencies in the District are needed.

Flexibility, Adaptability & Desire to Grow - There are many contentious issues brought to the table, they must be able to work well with others, remain open to different solutions and be introspective enough to recognize own biases.

Managing Bias - A key success factor in a strong council member is whether the person is introspective enough to manage their biases and stay open to other points of view, and change if needed.

 Many successful Diversity Councils are assembled based not on one's office or role in an ERG but rather as a diagonal slice of the organization. The CEO has in the past two years moved the Diversity and Inclusion Council partially down this path by including executives, some process owners, and members of all District occupational groups.



Evaluation of Diversity & Inclusion Policies and Procedures

The Diversity & Inclusion Program does not have a specifically named policy guiding its procedures and goals. Neither does the program have under its purview the Ethics and Equal Opportunity function. As a result, the attention of this report now turns to those policies and processes at the District which are charged with Ethics and Equal Opportunity. The role of these policies is to ensure a representative work force, fair promotions and respectful treatment at the District. The Office of Ethics and Equal Opportunity housed in HR, reports to the Deputy Administrative and Ethics Officer who reports to the Chief Administrative Officer.

Persistence of unfairness can exist for two main reasons: (1) An organization's policies are unfair and (2) People treat each other unfairly.

The Deputy Administrative & Ethics Officer who has oversight of Human Resources also serves as the EEO Officer. The chief ethics officer is the Chief Administrative Officer.

Ethics & Equal Opportunity Policy & Program

The District has several major policies and administrative procedures which outline the role of the Ethics and Equal Opportunity Office's role in the recruitment and selection process for hiring and promotions, for investigating complaints of unfair hiring and providing resolution of discrimination issues, including Reasonable Accommodation. The office also completes EEO report submissions to the Federal government. The policies are available to staff on the District's public website. (Appendix 11)

*"The District's Ethics and Equal Opportunity Office develops best practices, administers programs and develops policies that ensure the District is in compliance with state and federal laws to ensure prevention and reduction of instances of discrimination, harassment, retaliation, and disparate treatment of District employees and applicants for employment."
SOP Recruitment Process Revision 7, June 23, 2010, p. 1.*

The office is also responsible for providing guidance to District staff in EO and RA matters, secures subject matter experts as trainers and develops District specific handbooks and resource materials. The EEOP also ensures the District is following best practices in training its workforce to ensure it is free of discrimination, harassment, and retaliation.

While the policy dated February 2011 indicates there is an Equal Opportunity/Non-Discrimination Plan, the staff indicates that is no longer true.



Ethics & Equal Opportunity Program Role in Recruitment & Hiring Process

During recruitment and hiring, the office is involved in a hands-on manner a number of times from beginning to the end of the process. The EEO office representative sits in on all meetings. This was structured in this manner to ensure that EEO considerations were part of the process, not an afterthought and is certainly a Best Practice that the practice is so integrally involved. These EO functions in the hiring/promotion are listed below:

Attend Recruitment Meetings. EEOP attends meetings which set the supplemental questions, assessment and interview criteria, panels, interview questions, advertisement plans, scoring rubrics, responsibilities and the qualified list. (*Source: SOP Recruitment Process p. 3*) The questions to be used in the interview, the pool, etc. are all reviewed for gender and ethnic bias. In addition, a worksheet is provided to the recruitment analyst which shows the demographic labor force availability in the county of Santa Clara for the position title that is being recruited. (Appendix 12) This check is to ensure that the hiring panel is representative of the Santa Clara County labor force for that occupation. This is done along with the recruitment analyst and hiring manager.

There had been a practice if there were over 8 applications, a disparate analysis was performed, but this is no longer done. Disparate analysis is conducted at the end of each fiscal year and does not include information at the level of each hire/promotion.

Applicant Pool Approval. The recruitment folder is provided to EEOP which reviews documents including the advertising plan, recruitment profile, and job announcement.

Intermediate Review. After review of the data, EEOP signs the recruitment documents and returns to the recruitment analyst.

Application Assessments are performed. EEOP reviews the pool.

Assessment Results/Interview List Reviewed by EEOP for signs of disparate impact. The 'EEO Blue Folder Results of Interview Checklist' (Appendix 13) is completed at the end of the process by the EEO office. This debrief is performed with the recruitment analyst only after the interviews are completed and the hiring decision is made. If issues are noted at that time, either the EEO officer or the Recruitment Supervisor is notified depending on the issue.

Ethics & Equal Opportunity Resources

The structure, and therefore the budget, of the office has varied in recent years, making trend comparisons difficult in terms of activities as well as budgets. However, the table below shows the budget or expenditures of the office over the last 4 years.



Table 18. EEO Budget FY 2008 to FY 2011

Budget Description	2008	2009	2010	2011
EEOP Mandatory Training		\$29,087	\$118,623	\$51,483
EEOP Program	\$290,101	70,675	103,000	85,805
EEOP Management	373,151	333,567	234,486	346,819
Reasonable Accommodation		31,638	63,669	54,922
Ethics	69,800	55,717	90,701	72,127

External consultants used to investigate EEO or fairness complaints have been budgeted at \$57,883 in 2008, \$116,394 in 2009, and \$87,501 in 2010. The 2011 expenses as of April were \$22,644.

Ethics & Equal Opportunity Program: Role in Treatment of Staff Complaints

Because of the long standing perceptions regarding equity issues as well as fairness in hiring and promotions, an examination of the complaints regarding equity and fairness issues was attempted to understand and quantify the scope of the problem and the degree to which these complaints were sustained upon official investigation. First, a few qualifications and historical notes to the findings and quality of the data are in order.

An independent analysis of the climate at the District in 1996 gave this recommendation:

"Analyze the grievances submitted, settled, and withdrawn. Identification of complaints and problems should be analyzed more than the particular individual's situation but symptomatic of larger issues." 1996 Organizational Culture Survey.

The 2000 Santa Clara Grand Jury report noted:

"The District has no database for complaint processing and prepares reports by manual tabulation. A database is reportedly planned." Source: p. 3 June 26 2000 Grand Jury Report.

The 2009 Ethics Survey report and action plan indicated:

"..that quarterly reports will be presented to BAOs/Chiefs and posted on the website regarding issues and resolutions." (source: Ethics Survey 2009 Action Plan recommendation III.A.2.)

According to the EEO Office, the database for EEO complaints has not been maintained for approximately the last year. Historical information on cases are apparently in two



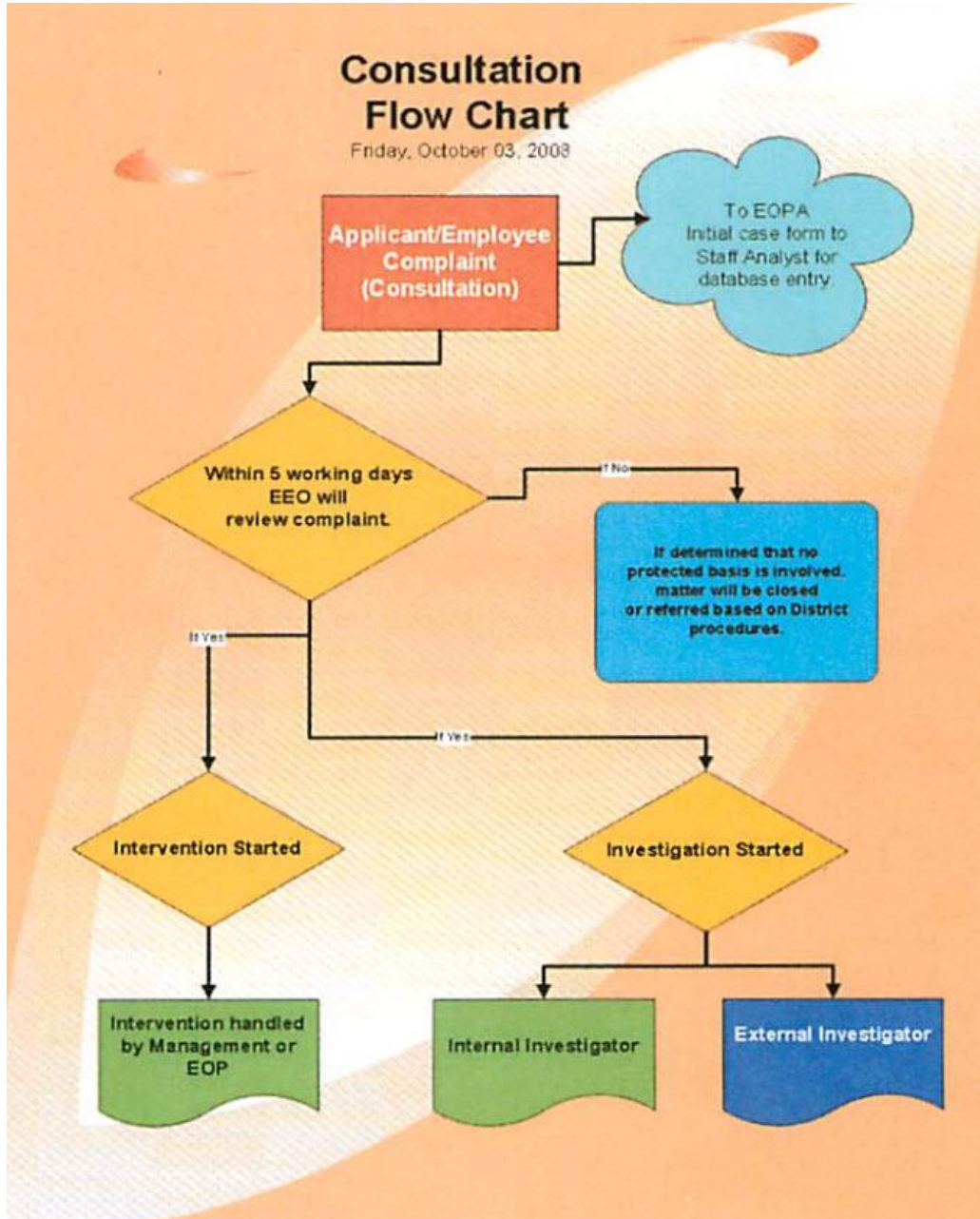
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systems, and according to the EEO Office, neither are complete. Therefore, the information in this section of the report should be considered as suggestive and not conclusive. Nevertheless, given the importance of the issue, it was determined that flawed data was better than none.

The data in Table 21 below gives numbers provided in the Grand Jury's report for the years 1996-2000, and the FY 2010 and 2011 were provided and subsequently verified by the Office of EEOP. Appendix 14 contains two reports of EEO and Labor Relations complaints of complaints during FY 2011 part of FY 2010 as well as a presentation on the status of the program.

Since the periods and definitions of the cases appear to vary widely, it is not possible to make firm conclusions on incidence of issues at the District with confidence. According to the EEOP office, beginning with the FY 2010, a triage process was instituted to identify those issues that warranted further investigation and those which could be handled via a more informal intervention. In the past, complaints as well as inquiries were counted. An intervention typically involves discussion of the issues with the parties involved. It is typically conducted internally. Investigations are likewise handled internally unless there may be a conflict of interest and then an external investigator is brought in to handle the case.

The graph below shows the process for considering EEO complaints from initial intake to resolution.





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Table 21. Trends in EEO & Ethics Complaints - 1996-2011**

Type of Complaint	1996-2000	2007-2011 Complaints & Investigations	FY 2009-2010 Investigations	FY 2010-2011 Investigations
Sexual Harassment				
No.	16	23	5	2
No. Sustained	9	15	5	1
% Sustained	56%	65%	100%	50%
Racial Discrimination/ Preferential Treatment				
No.	9	24*	5	3
No. Sustained	1	9	2	0
% Sustained	11%	38%	40%	0%
Unfair Promotions				
No.		35	3	2
No. Sustained		17	1	0
% Sustained		49%	33%	0%
No. of Ethics Consultations & Complaints			110	
No. of EO Complaints			135	

Sources: 1996-200 figures from 2000 Santa Clara County Grand Jury Report;
2007-11 Treatment of Staff Reports, Internal Issues & Ethics

FY 2010-2011- EEO/Labor Relations Report from EEO & Ethics Office and may in some cases duplicate those in FY 2010 and 2011.

*Includes racial preferential treatment & inappropriate behavior.

**These numbers are accurate, but are not complete for the periods 2007-11 and 2010-11; it is noted the numbers for FY 2010 and FY 2011 investigations do not mesh precisely with written reports in the appendix.

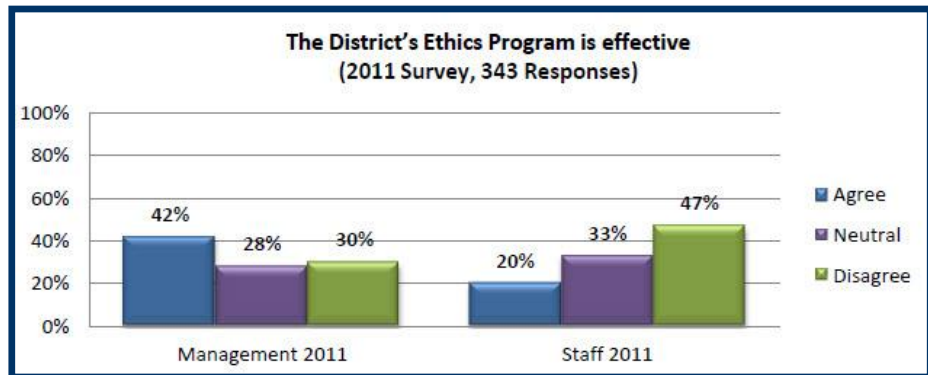
Reasonable Accommodation

According to the EEO presentation dated 2009-2010, there were 40 new cases of reasonable accommodation during FY 2009-2010.



Perceptions of the Ethics Program

According to the fall 2011 survey, 47% believe the Ethics Program is not effective. A third has no opinion and 20% believe it is ineffective.

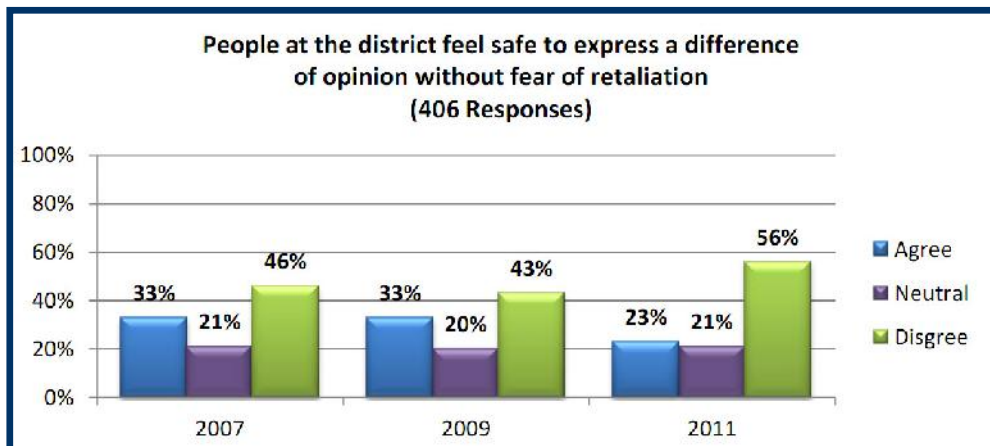


At the same time, complaints reported to the Ethics Office, as near as could be surmised given the paucity of

systematic data, seem to be declining. However, the qualification here is that there were differences in the method of recording of these complaints from previous years. For example, in the past, all issues may have been included in earlier reports. At the present time, administration has instituted a new procedure to triage complaints that come in. This seems to have had the effect of reducing the number of investigations with more informal interventions and attempts to resolve issues undertaken instead.

An interesting trend is that the EEOP staff indicated there is now an increase in external complaints made directly to EEO and the Department of Fair Employment and Housing, - 7 in the last month.

Another interesting trend shown in the District's 2011 survey shows a sharp spike in the percentage of people who believe it is unsafe to express a difference of opinion without retaliation. In both 2007 and 2009, 33% indicated they felt safe but this dropped sharply in 2011 to only 23%.





Ethics and Equal Opportunity Gap Analysis and Recommendations

Two The establishment of the office devoted to ethics and equity, the budget and use of anonymous complaint lines were all serious attempts on the part of the District management to prevent unfair treatment of staff and to provide a work environment that is free of discrimination, including sexual harassment, unfair treatment or retaliation against staff members for expressions of dissent consistent with EL-3 and EL-10, Treatment of Staff and Equal Employment Opportunity.

Community Engagement

Community Sponsorships

In Fiscal Year 2010-2011, the D/I Program sponsored 17 community events totaling \$22,690. The range of organizations include Latino, Black and Asian civic groups. San Jose State University Engineering program activities were also supported through the program. Appendix 10 provides a complete listing of these activities.

Professional Conference attendances are provided from FY 2009 to FY 2012. Seven conferences have been attended over the years by various District staff. Government relations provided a list of 16 community sponsorships the District has supported in 2010-11. Plans for 2012 were also listed. The events were regional and ethnic oriented. Two were related to the District's mission: Guadalupe River Park and Gardens and the Palo Alto Emergency Preparedness Committee Fair. (Appendix 10)



EVALUATION OF D/I PROGRAM EFFECTIVENESS & EFFICIENCIES & GAP ANALYSIS

In this section, an assessment of the program's strengths and weaknesses and comparisons to Best Practices is outlined. Next, the gap analysis with Best Practice and recommendations for action are provided for the Diversity & Inclusion Program.

Strengths

As outlined in the Benchmark Report, the Diversity & Inclusion Program is Best Practice in terms of its structure: CEO support, it has its own resources and departmental organization, and ERGs have been developed. In addition, policies for equity in hiring include diversity considerations at each step.

The CEO strongly supports the program, even to the extent of taking over management of the program and the Diversity Council. He meets with the group regularly and has taken personal responsibility for formulating the latest Master Plan.

The program has a small group of dedicated staff who care deeply and feel passionately about the goals of the diversity and inclusion at the District.

The ERGs represent the spectrum of interests that exist nationally. They are supported with funds for their activities and planning time.

Development of a Master Plan as extensive as the District's is rare and only seen in large corporations with significant staffs.

The associated policies and guidelines surrounding the ERGs are well developed and thought through.

The program is moving toward a business case to fully integrate the program and spirit into its everyday operations.

Weaknesses

It appears the role of the Diversity & Inclusion program is unknown, misunderstood, or confused at the District. The Diversity and Inclusion climate is sometimes attributed unconsciously to processes over which it has no control or oversight such as equity in hiring.

The integrity of the hiring and promotion processes is long standing issues and extremely critical issues which influence staff's feelings of fairness and equity at the District. This is the backdrop against which the Diversity & Inclusion Program must



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operate yet they have no influence upon the process or role in understanding or evaluating the complaints as they relate to diversity and inclusion.

Ties to departments and people who would be responsible and accountable for carrying out these goals are not those around the table in the Diversity & Inclusion Council. The Council is large and lacks confidentiality and, most importantly, is not clearly linked to the organizational structure of the District. Managers accountable for the processes critical to diversity and inclusion should have their own forum for these issues and have the outcomes identified by the District as key incorporated into their work plans.

There are no formal ties or expectations for coordinating with Diversity & Inclusion between Ethics and Equal Opportunity, Recruitment, Workforce Development, or District projects with the community including EIRs, community hearings, etc.

Negative District Image. The District staff do not understand the role of the program or believe it has a function in these times and in the Bay Area whose tolerance for diversity is well known and celebrated.

The program is associated with ERGs who are viewed as divisive and the social functions including heritage days that were given in the past.

Measures of progress have not been forthcoming. Reports of accomplishments have not been made. There have not in the past been quantitative outcomes metrics reported from its efforts. As a result, accomplishments are not clear and many staff do not understand the program, why it is funded, or what it does.

Diversity & Inclusion Training & Activities

There have not been on campus training for diversity and inclusion for years. The harassment and equal opportunity training requirements are done via the internet. The staff survey shows that their priorities for training are to develop succession plans for their positions, career ladders and their own professional development and given the climate, that should probably take priority over inclusion training at this time. Once the goals of the program are more clearly laid out and accountability measures are incorporated into management work plans, then training needs and programs that fit these goals could be more effectively identified.



Alignment of Diversity & Inclusion to District Needs

Background & Observations

Diversity and inclusion issues are among the most complex management problems an organization faces. This seems to be complicated by a number of historical and organizational characteristics at the District.

The history of semi-autonomous operations of the four chief areas followed by three CEOs in relatively short time frame and administrative efforts to integrate the areas from the top down has resulted in a history of at least partially successful passive resistance.

The proliferation of bureaucracy and excessive administrative rules, as is always the case, results in increased reliance on informal networks, and thus growing strength, to actually get the work done.

The informal power structures and networks at the District are extremely powerful. They control by rumor, by the 'gotcha' mentality of catching someone in a mistake and manipulating the many bureaucratic rules at the District. As with any power structure, the membership is, or appears to be, based on race and gender. These stubbornly resistant-to-change structures are reinforced by another relatively unique factor at the District: the extremely low attrition rates. People literally grow up and old together at the District.

"You never know when you might {get into a fix} because if you turn this person down, you may be {annoying} someone way over in another department, because they used to work together and you don't know it."

In terms of diversity, the District, while far from perfect, has made strides along the lines of equal representation.

However, the real issue at the District is inclusion -- in power sharing, in collaboration, in communicating openly, in working as team members across the silos, in including staff in decisions where they could productively contribute.

Issues with D/I are long standing and have been resistant to fairly substantial efforts to change. In order to make changes, it will be important to improve dramatically communications among managers and their staffs and to provide more data on issues of interest and concern to a very intelligent, interested, educated, and watchful, District staff. Changes in approaches to projects and teamwork, meeting styles, in honest evaluations and accountability, etc. will need to change to reflect more participatory decision making and power sharing. In short, diversity and inclusion can no longer be viewed as just a program or a department, but now a change process within the organization that touches all corners.

Equality is about treating all people the same. Equity is about treating people fairly, acknowledging their differences in skills, qualities and career goals.



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The department as it was staffed and charged in the past had no District wide mandate or scope. The perception of what diversity and inclusion mean is confused at the District and needs to be clarified as evidenced by the disparate policies in separate units. The department as it is currently staffed and resourced will continue to struggle to succeed.

Diversity & Inclusion Programs Best Practices

The first report in this series was a survey of Best Practices of the District's benchmarks along with nationally recognized high mark, aspirational benchmarks. It was found that the District has all the structural elements of a Best Practice program. The reader is referred to that report for details. In this section, the elements or activities in the development of what are accepted to be Best Practices in diversity and inclusion programs are outlined. This will be followed with a set of recommendations for the District.

Typical stages in the development of a Best Practice, robust diversity and inclusion program involve these key milestones:

- 1. Set the Vision.** Executive leadership must set the tone and vision for the plan. Best Practice organizations have shifted **from a total reliance on equality to one of equity and fairness.**
- 2. Assess Current Status.** Establish a scorecard based on employee perceptions; identification of the business case, the diversity census.- level of representation within the organization in terms of job levels, salary levels, assessment of existence of 'job ghettos' that prevent upward mobility.
- 3. Establish Expectations for Core Competencies of Equitable Leadership and Staff.** Assessment of leadership, board members, and staff for core competencies of leadership is often a good way to start the conversation and to set expectations to be built into performance systems.
- 4. Setting Specific Goals through Metrics -**

An effective, transformational plan will require reliable, consistent data, reporting and monitoring efforts to adjust to what is working and what is not.

Metrics should robustly track an organization's progress to achieving their vision. In the area of diversity and inclusion, it is best to maintain as broad a view of the issues as possible. Therefore it is recommended that metrics include some of each of these listed below with possible examples.

Quantitative - the diversity census against labor force information, including applicants, and hires. Promotion rates against current profile of the District workforce.



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Internal - Employee Engagement surveys, cultural assessments, etc.

Personal/Behavioral - Treatment of staff complaints filed, participation in training, how the organization learns from unfortunate, apocryphal incidents, how are staff meetings organized, how well does the organization communicate its work plans and projects versus the strength of rumor mill. Numbers of supervisors and managers mentoring for next generation succession. Shadowing time built into complex District projects to build skills and experiences of beginning engineers.

External -- how the District perceived by its customers, community and community leadership, diverse communities within the service area

5. Transforming the Future - Attack Big Issues and Nibble at the Organizational Processes

The most successful plans will identify and act quickly to remedy those areas that are most troublesome or easiest to fix -- the low hanging fruit. The more public and symbolic the change, the better. But a solid plan needs to be behind it, or the program is headed for another failure, and one from which it likely will not be able to recover.

But in addition to these big ideas, organizational wide strategies, the concept of addressing the long term, stubborn to change issues in a more targeted way, often called nibbling at diversity or organizational termites is also an essential part of a successful plan.

☹️ District Best Practices

☹️ The District is, in terms of CEO commitment and involvement, reporting structure, moral and material support by its chiefs, ERG development, allocation of resources, its master D/I plan, communications plans, and activities, a Best Practice model of Diversity and Inclusion programs.

☹️ The District compares favorably with nationally ranked, top 50 Diversity, Inc award winners for its D/I program in terms of its organization, management support, development of its Master Plan, and other District sponsored activities. It is currently a relatively mature model for diversity & inclusion programs. It has accomplished its foundational tasks such as assessment of the climate through staff surveys, undertaking self-examination through rigorous assessment and program audits.

☹️ Supporting programs such as the EEO function, ethics reporting, and workforce development planning result in a comprehensive approach to diversity and inclusion. In terms of these structural aspects of D/I programming, the District is Best Practice.

☹️ The recruitment policies and structures, not actual operational practices, are very strong, close to Best Practice in terms of diversity, equity, and process. However, there



DIVERSITY & INCLUSION COMPREHENSIVE AUDIT

is strong evidence based on selected case studies as well as statistical information that the process is not universally carried out in a manner consistent with the values and ideals of the District of respect and taking care to consider a person's lifetime commitment and career with the District.

This conclusion has ample support from the recent employee engagement surveys as well as decades old surveys of staff who believe the process is not fair, and not fair to those who work hardest. Interviews with managers, union leadership, and random staff at the District in 2011 confirm these findings. Finally, statistical analysis of the hires completed in the last year show there are systematic issues in selection of the hiring panel, the elevation of desirable experience to the level of requirements, (MQ creep), the inability of recruitment analysts to own the process, interference from hiring managers, etc., that influence the outcome of the decisions in ways that may not place internal candidates at the advantage they feel they deserve.

All individuals are unique and important, and will be treated with fairness, dignity, and respect.

Source: District Mission & Values Statement

Highly Inclusive Organizations Have Achieved these Objectives

1. Meaningful goals for diversity program are set and a vision of equity embraced.
2. Senior executives will buy in and publicly recognize the importance of diversity
3. Demographically, the organization represents its community and executive team will be representative as well
4. Employee needs and an alternative work and benefit programs will take into account different needs based on gender, cultural, family and religious needs.
5. Development of a system of measuring success



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RECOMMENDATIONS

1. Diversity & Inclusion Alignment To District Needs

Background

Diversity and inclusion issues are among the most complex management problems an organization faces. The situation is further complicated by a number of historical events and organizational characteristics at the District.

The history of semi-autonomous operations of the four chief areas followed by four CEOs in a relatively short time frame along with administrative efforts to integrate the areas from the top down has resulted in a history of at least partially successful passive resistance. The proliferation of bureaucracy and administrative rules, as is always the case, results in increased reliance on and strengthening of informal networks to actually get the work done.

The informal power structures and networks at the District are exceptionally powerful. They control by rumor and by manipulating the many bureaucratic rules at the District. As with any power structure, the memberships in these groups are, or may appear to be, based on race and gender. These stubbornly resistant-to-change structures are functional for those inside and are reinforced by the District's very low attrition rates. People literally grow up and old together at the District.

"You never know when you might {get into a fix} because if you turn this person down, you may be {annoying} someone way over in another department, because they used to work together and you don't know it."

In terms of diversity, while far from perfect, the District, has made strides along the lines of equal representation. However, staff still perceive affiliations and ties among their colleagues and management across gender and ethnic lines. These friendship, race or gender based groups are viewed suspiciously and often with resentment.

However, the real issue at the District is inclusion -- in power sharing and inclusion in decision making, in collaboration, in communicating openly, in working as team members across the silos, in including staff in decisions where they could productively contribute.

Issues with D/I are long standing and have been resistant to fairly substantial efforts to change. In order to make changes, it will be important to improve dramatically communications among managers and their staffs, to set clear expectations about behavior, and to provide more data on issues of interest and concern to a very intelligent, interested, educated, and watchful, District staff. Changes in approaches to projects and teamwork, meeting styles, in honest evaluations and

Equality is about treating all people the same. Equity is about treating people fairly, acknowledging their differences in skills, qualities and career goals.



RECOMMENDATIONS

accountability, etc. will need to change to reflect more participatory decision making and power sharing. In short, diversity and inclusion can no longer be viewed as just a program or a department, but a change process within the organization that touches all corners.

The Diversity & Inclusion Program is Best Practice program in terms of its structure, reporting relationship to the CEO's office, development of strategic master plans, resource allocations, the Diversity Council and management involvement in it, the development of ERGs and their membership. In these terms, the program is in alignment with the District's needs.

However, as the District and the program have matured in their understanding of diversity and inclusion, and have evolved from older concepts of representation to the more cutting edge concept of inclusive work practices and business case, the program has not matured at an equal pace with these higher standards and more sophisticated expectations. Indeed, this is the state that many programs are currently faced with. The low hanging fruit, with some notable exceptions at the District, has been picked. The hardest work facing diversity and inclusion programs is this: Now that we are all together, now do we make the new mix work? How do we maximize the contributions we can make? How do we share power and decision making in ways that yields a stronger District?

In addition to the more sophisticated Best in Class Vision, the program has faced other issues, including four CEOs, frequent shifts in reporting relationships, changes in staff, and staffing levels and responsibilities. For example, the ethics or treatment of staff function was removed from the program in 2008. There are no formal links with recruitment or equal opportunity policy, plans, enforcement or oversight. There is no policy named Diversity & Inclusion, and policies and operations that would be expected to be under its purview are assigned to other units.

Some District processes, in particular the ethics, hiring, promotion, and evaluation processes could surely use some tweaking and those recommendations will be found in this report. **However, the basic issue the District needs to address is that respecting the processes that have been developed and instilling the uncompromising requirement that integrity requires we treat each other fairly is the root issue in feelings of unfairness.** No amount of process rework and process mapping will yield the results the District envisions. Respect and fair treatment needs to be emphasized as a key quality expected for all staff, leadership and staff alike.

Persistence of unfairness can exist for two main reasons: (1) An organization's policies are unfair and (2) People treat each other unfairly.

The Diversity & Inclusion Program has not been at the center of these discussions; nor have they had the responsibility or role in decision making. Its role is viewed as associated with ERGs and heritage days rather than the difficult task of inclusive work practices. The program, if it is to continue to meet District goals, needs to be empowered to sit at the table when policy decisions are made, to have oversight and a



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decisive voice at the District when issues of fairness and equity are raised -- at all levels -- and to influence how the District communicates with its many constituencies.

The department as it was staffed and charged during recent years, has no District wide mandate or responsibilities. The CEO's taking on the responsibilities for program direction, Diversity Council meetings and Master Planning is extremely laudable and is acknowledged with gratitude. It is heartening that support comes to this extent from the highest levels at the District. However, the program needs full time leadership. Neither the Diversity and Inclusion Program nor the Ethics Program have full time management oversight and their staffs have been dramatically cut. These are two critical areas at a time when their counsel may be most needed -- when the District is facing another generational shift with new faces arriving and long time career staff leaving as the Baby Boomers retire.

Clarity of purpose and communicating that clarity to the District is badly needed. The perception of what diversity and inclusion mean is confused at the District and the master plan needs to unpack and expand its scope to include the many aspects of what it means to welcome all staff to the table. Succinctly, the department as it is currently staffed and resourced will continue to struggle to succeed to meet the high expectations the District has for this program.

It is in this spirit that the recommendations are made in this report to change its structure through reallocation of current budget lines, to reassign District roles to ensure objectivity and fairness is a primary consideration when treatment of staff issues are raised, and to provide an executive policymaker who can be held accountable for monitoring fairness and integrity issues at the District.



💧💧 District Best Practices

💧💧 The District is, in terms of CEO commitment and involvement, reporting structure, moral and material support by its chiefs, ERG development, allocation of resources, its master D/I plan, and communications plans, a Best Practice model of Diversity and Inclusion programs.

💧💧 The District compares favorably with nationally ranked, top 50 Diversity, Inc award winners for its D/I program in terms of its organization, management support, development of its Master Plan, and other District sponsored activities. It is currently a relatively mature model for diversity and inclusion programs. It has accomplished its foundational tasks such as assessment of the climate through staff surveys, undertaking self-examination through rigorous assessment and program audits.

💧💧 Supporting programs such as the EEO function, ethics reporting, and the beginnings of workforce development planning result in a comprehensive approach to diversity and inclusion. In terms of these supporting structural aspects of D/I programming, the District is Best Practice.

💧💧 The recruitment policies and structures, not actual operational practices, are very strong, close to Best Practice in terms of diversity, equity, and process. However, there is strong evidence based on selected case studies as well as statistical analysis that the process is not universally carried out in a manner consistent with the values and ideals of the District of respect and taking care to consider a person's commitment to and career with the District.

This conclusion is supported by results of recent employee engagement surveys as well as decades old surveys of staff who believe the process is not fair, and not fair to those who work hardest. In addition, interviews with managers, union leadership, and staff at the District in 2011 confirm these findings. Finally, statistical analysis of the promotions and hires completed in the last year show there are systematic issues in selection of the hiring panel, the elevation of desirable experience to the level of requirements, (MQ creep), the inability of recruitment analysts to own the process, interference from hiring managers, etc., that influence the outcome of the decisions in ways that may not place all candidates on equal footing, particularly internal candidates.

All individuals are unique and important, and will be treated with fairness, dignity, and respect.
Source: District Mission & Values Statement



2. Recommendations for D&I Structure, Strategies & Metrics

The lack of linkage to the ethics and equal opportunity functions has left the department without a meaningful role in oversight, policy formation, or enforcement of diversity and inclusion related policies and practices. Full time executive oversight of programs of this nature is essential. The program as it is currently charged is neither designed for success nor positioned to have discernible impact upon the District.

The Diversity and Inclusion program and the Diversity Council and ERGs do not currently align sufficiently with the operational units of the organization who should be held accountable for needed actions. The work of diversity and inclusion can not be the responsibility of the volunteer ERGs or a department without operational responsibilities, but must reside with process owners who can be held accountable and to departments with authority for oversight of diversity and inclusion related issues.

The 2012-14 Master Plan with its admirably ambitious and complex goals has a District-wide scope. This will require a leader with substantial management experience, strong persuasive skills, and significant ability to inspire and move the organization. It seems doubtful these goals are achievable given the current staffing and structure.

In addition, reliance upon the D/I Council membership and ERGs will fail given the level of effort and authority needed. If the program is to be revitalized and the 2012-14 Plan successful, strong management guidance, oversight, and District-wide coordination are needed on a day to day basis. In other words, beyond what the CEO can allocate given other pressing managerial and operational duties.

The Diversity & Inclusion program used to have 4 full time staff and the Ethics and Equal Opportunity Program also had 4 full time staff. Today, the D/I Office has 1 full time staff and the EEOP office has 1 full time staff member. Neither have a full time manager. The functions have been cut so drastically, it seems unlikely work can proceed effectively or as quickly as the District needs to solve its challenges.

Recommendation 1. Given these many considerations, it is recommended that the program and related District wide functions be consolidated into a single, stronger division and staffed with a full time executive, assigned meaningful roles in oversight of the ethics and equal opportunity functions which are currently in human resources, and report directly to the CEO.

Consolidate D/I and Ethics and Equal Opportunity oversight functions into a stronger single unit reporting to the CEO or other District wide office.

This new office with oversight of the Diversity & Inclusion Program, serve as the Ethics & EEO Officer for the District and incorporate external relations and communications. The office should be established with a strong mandate from the CEO and the Board to establish and maintain the integrity of the processes under its purview. The office would also have responsibility for the external and community relations units as well as



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communications and coordination for ERGs work with District projects. Each of these offices are currently supervised directly by the CEO which necessarily means less time and attention can be paid to these critical functions that is needed. In addition, integration of the units will be stronger since support staff could also be consolidated. It appears from the budget lines provided from both Diversity & Inclusion and the EEO budget that there are possibilities for reallocation so that this recommendation is anticipated to be revenue neutral. Responsibilities of this unit may include:

Program Responsibilities

- 1) Update and establish impact metrics for an annual action plan for diversity and inclusion
- 2) Facilitate meetings with ERGs to support their continued growth; work with executive sponsors to ensure they are actively involved
- 3) Compile annual reports of the impacts of ERGs and the program and distribute to District staff and possibly online and other communications
- 4) Work with ERGs to develop individual business case
- 5) Work with project managers to ensure community projects have an appropriate cultural face to the communities
- 6) Inclusion is Advantage Celebration - the new division would help to coordinate

Development of the EEO Function and Oversight -- currently handled by HR who then receives complaints about a process they own and just conducted and acted upon. This function needs to be more clearly de-coupled to avoid the appearance of a conflict of interest.

Equal Opportunity Operational Responsibilities

- 7) Recommend policy changes; development of policy impacting fairness and ethics
- 8) Development and monitoring of equal opportunity plans and strategies
- 9) Responsible for Disparate Analysis reports and breakdowns and analysis by Chief areas

Equal Opportunity Oversight and Facilitation

- 10) Compiling reports on hires and promotions annually and providing analysis of findings and recommendations for targeted actions if needed.
- 11) Collecting at least semi-annually information from HR on applicant pools as well as progression through the hiring/promotion process for reporting and analysis by Chief
- 12) The concern that including EEO into Diversity and Inclusion will end up defining D/I as just race and gender is acknowledged as a legitimate concern. However, the reality is that the Board, and other external groups, including the Federal government and Best Practice Organizations typically include this function under the D/I or the corporate responsibility unit. In addition, there is a critical need to unlink the hiring and promotion process from the appeal process. It should not



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be the case that appeals and objections are taken up by the same process owners and staff who made the decision originally.

Ethics

- 13) Assume current tasks of the Ethics Office including responsibility to receive, handle, and resolve complaints
- 14) Refinement of ethics process and definitions
- 15) At least annually report on EEO complaints and investigations to the Board and District Staff
- 16) Establish/Update a reporting database on complaints and report at least quarterly to chiefs by division

Inclusion and Fairness

- 17) There should be initiatives in the program focused on ensuring fairness, particularly those surrounding the metrics already identified and areas of concern to District staff.

Track Metrics and Build Accountability

- 18) Publish annually District's progress on selected metrics. Responsible for conducting Employee Engagement, compilation of treatment of staff reports, etc., and other data collection methods as appropriate for each adopted metric.
- 19) Compile annually a D/I-EEO Score Card and work with each Chief regarding individual area goals. Begin to build division responsibility and ownership for inclusive behaviors.

Government Liaison and Community Relations

- 20) Current functions plus serve as resource to project managers and others who are responsible for public hearings, EIRs, etc. to ensure appropriate cultural representations are made in District hearings and other community meetings.
- 21) Develop programs to encourage volunteerism and giving back to the community with an emphasis on issues associated with water resources. Serve as a nexus to integrate efforts to engage the community and improve public perceptions.

Possible names for this new office may be:

Division of Equity, Ethics, Corporate and Social Responsibility and Communications
Division of Public Affairs, Equity and Inclusion
Division of Equity, Inclusion, Public Affairs and Communications
Division of Corporate and Social Responsibility



Recommendations for Accountability & Metrics

Recommendation 2. Identify Concrete Inclusion Impact Benchmarks for the Future

While there are benefits to reviewing what others are doing, every organization has its own unique culture. And more importantly, as we have seen, the District is a pioneer in the field of D/I. As such, pioneers must blaze their own path by forging their own stretch goals and accompanying benchmarks. Therefore, it is recommended that the District's senior management team use a combination benchmark and planning tool to identify and prioritize the many dimensions of D&I.

Inclusion is a complex, multi-dimensional, not a unitary, concept. However many organizations are not conceptually clear about their definitions of D&I. This seems to be true at the District as well. Identifying internal benchmarks will help the District unpack these concepts, clarify goals, link organizational units to the goals of D/I, and begin to develop an action plan that is more clearly tied to the work of the District and management and other staff who are in a position to move the organization toward desired goals.

***If you don't know
where you are going,
any road will get you
there..***
***From Alice in Wonderland
by Lewis Carroll***

Recommendation 3. Identify Concrete Diversity Impact Benchmarks for the Future

Preliminary analysis of the workforce profile show under-utilization among some groups and over-utilization in others. There was under-utilization of Latino and Asian crafts workers, white female engineering and technical staff. Blacks were over-represented in almost all categories and Asians under-represented given their numbers in many occupational groups.

There is no current EEO or Non-Discrimination plan with goals other than the Board Policy on equity. Thus there are no specific goals to work toward and as was seen in the disparate analysis for the demographic profile, new hires, promotions and upgrades, there appear to be room for improvement. Whether the approach not to have a more formal metrics or stretch goals is still advisable or not is a discussion that should be seriously considered by the District.

While the District has begun to identify its business case goals in the current Master Plan and the program and its ERGs recognize the need, the vision has been too abstract to be embraced and acted upon. **The program needs to work more closely with other operational divisions and management to ensure the thread of diversity and inclusion is deeply woven into each District policy.** This is particularly crucial for respectful and fair treatment of staff, the succession and workforce development plans, and the District's public image of being a responsible corporate citizen in its communities.



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Recommendation 4. Develop Impact Metrics for each Chief area

The 2012-14 Master Plan has excellent vision, solid goals and clear tactics designed to accomplish what is needed at the District. In order to ensure successful accomplishment, an implementation plan has already been developed. As noted in the Master Plan, an important next step is to identify desired impacts for each of the tactics. The focus of the plan should now shift to impacts and changes, not resource/input, activities or process outcomes. For maximum impact, these deliverables and impact metrics should be included in each of the Chief's (not individual staff member's) semi-annual work plan which should include the goals, actions to be taken, evaluation of the effectiveness of their actions and how it improved the service or situation at the District.

It is recommended that the District consider integrating the goals of equity, diversity and inclusion into its District wide Strategic Plan rather than developing it as a separate standalone process. This will improve the institutionalization of the principles into the District's everyday operations.

The CEO should hold each of the Chiefs responsible for accomplishing the tasks in the plan on a semi-annual basis and use this as part of their pay for performance evaluation. The CEO should report progress annually to the Board.

Recommendation 5. Identify and Consistently Track Staff Perceptions and Engagement Metrics

The District has undertaken a series of workforce satisfaction surveys which have included items on diversity and inclusion as well as other measures of engagement. A number of items from the most recent staff survey results were culled and vetted through the LT and MLT groups and later adopted by the former Diversity & Inclusion Council. These are presented in the figure below.

It is recommended that these metrics, along with other impact metrics, be used as a base point for the Chiefs to review and then integrate into the District's current Strategic Plan to track each Chief's accountability for their goals.

It is also recommended that the metrics that were identified in 2009 be included in subsequent surveys including the perceptions of fairness in hiring, contributing to the maximum of my abilities, reaching my full potential, recognition of staff who excel, etc. See Table 1 in this report for items which were not included in the 2011 survey. (See figure below.)



2009 Cultural Assessment Benchmark Metrics

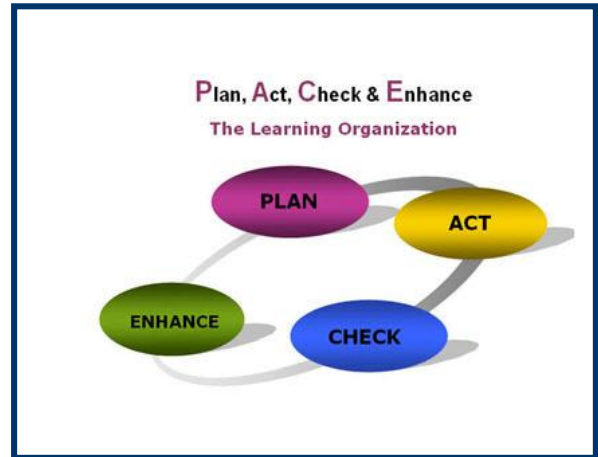
Diversity and Inclusion									
I am treated with respect by:									
Co-Workers									
Unit Managers									
Senior Leadership									
I would recommend the district as a good place to work									
Teams work together despite differences of opinion									
Co-Workers, supervisors model inclusive behavior on the job.									
I am comfortable with the District's current status in terms of Diversity & Inclusion.									
I am encouraged to develop my job skills so I can advance my career.									
I am able to contribute to the maximum of my abilities.									
I can reach my full potential at the District.									
People can express opinions without retaliation									
Promotions reflect giving everyone a fair chance.									
Humor is used to make fun of people because of their diversity									
	10 %	20 %	30 %	40 %	50 %	60 %	70 %	80 %	90 %
Agree with statement									



Monitor Program Performance - Recommended Metrics

Establish reporting mechanisms for tracking each of the important metrics to ensure the program's goals have an impact. The business intelligence function of IT will have a significant role in this part of the plan. These reports should be put into the District's production calendar and provided to Chiefs at the periods the District finds meaningful, but at least once a year.

Sample metrics that are recommended for consideration in building the District's Diversity and Inclusion scorecard are:



CEO Commitment

- Link compensation with diversity success
- Having chief diversity officer as a direct report
- Chairing the executive diversity council
- Advisory committees demographics

Representation

- New hire demographics reflect the available work force by job category
- Parity in retention across gender and ethnicities
- Management demographics are reflective of available labor force

Workforce Development

- Parity in access to training, reassignment, professional development
- Perceptions of fairness of the hiring and promotion process
- Parity in promotions across races and genders
- Fairness in non-competitive promotions
- Inclusion concepts integrated into workforce development and succession plans

Climate

- Cultural assessment results including employee engagement
- Perceptions of fairness and ethics (restore survey metrics established in 2009)
- Treatment of staff complaints/EEO complaints

Recruitment & New Hires

- Applicant Pool reflects the available labor force - report for each recruitment
- HR reports quarterly on career recruitment activities (job fairs, ERG use, etc.)
- Number of mentors/on-boarding relationships

Corporate Communications

- ERGs are highlighted as well as successful case studies celebrated



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Diversity and inclusion training are part of new employee orientation as well as mandatory supervisor training

Web site reflects the positive diversity and inclusion environment and increase visibility of the programs

Supplier Diversity

% of procurement spending to SBE/minority owned businesses

Assignment of supplier diversity as a program to an accountable manager

Ownership and Accountability

Chief's accountability for metrics in their areas

Division level metrics and accountability for complaints and metrics

Individual Development Plans - integrated into performance appraisal plans

ROI

Reductions in expenditures for investigations and legal issues

Reduction in consultants for disparate analysis

Training and Incorporation of Qualities into District Process

Teamwork, team building training

CEPP incorporates equity competency qualities

Core Competencies of an Equitable Workforce (items for inclusion in performance reviews)

- ▶ **Principled.** Adheres to the highest ethical standards of public service and promotes a culture of integrity.
- ▶ **People Centered** - engages, values, motivates, mentors. Fosters a safe and respectful working environment.
- ▶ **Effective Communicator.** Defines the mission for subordinates and colleagues with clarity; listens effectively and shares information.
- ▶ **Performance Centered.** Establishes and meets clear, measurable, and meaningful goals in a timely manner and uses good judgment in decision making. Makes decisions based on merit.
- ▶ **Openness to Difference.** Promotes diversity of thought and access to opportunity. Provides fair and equitable recognition. Promptly and appropriately addresses allegations of harassment or discrimination.
- ▶ **Highly Collaborative and Respectful.** Opinions and contributions of all members are valued. Partners within and across units to foster achievement of mission integration across all organizational lines.
- ▶ **Nimble and Innovative.** Creative problem solving, adaptable and applies creative discipline to encourage continuous innovation and quality improvement in support of mission.
- ▶ **Steward of Public Resources.** Encourage financial and managerial accountability in executing fiduciary responsibilities and protects security sensitive information.



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Recommendation 6. Increase Reporting Capacity and Information on D/I Metrics, Visibility and Transparency on D/I processes. Currently, there is a lack of easy to access reports to understand the cases for ethics and treatment of staff complaints. This leads to misconceptions among managers who believe complaints are minimal and to staff who believe there are many. The Diversity & Inclusion Program and ERGs do not submit annual reports or publish them and these should be part of the accountability and transparency process.

Ethics Data Reports Example. Lack of data on Treatment of Staff and Ethnics issues over the years has meant the issues have not been viewed or addressed as a systematic issue, but at a personal level -- remedied by moving the bad manager or ignoring or reprimanding the bad employee. Data should be reported by type of issue so issues can be addressed; and reported at the Chief and division level so that management or cultural issues can be identified and addressed. Regular reports on grievances, complaints on staff treatment, hiring and other EO metrics should be developed in a participatory and open manner and distributed widely and routinely.

Highly Inclusive Organizations Have Achieved these Objectives

1. Meaningful goals for diversity program are set and a vision of equity embraced.
2. Senior executives will buy in and publicly recognize the importance of diversity
3. Demographically, the organization represents its community and executive team will be representative as well
4. Employee needs and an alternative work and benefit programs will take into account different needs based on gender, cultural, family and religious needs.
5. Development of a system of measuring success
6. High performance culture
7. Organization has identified its best talent and matched them to the appropriate jobs
8. High level of employee engagement and employees who go beyond what they are paid to do.
9. Teamwork and communication will be excellent. Morale will be high.
10. Recognition as an employer of choice.



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Recommendation 7. Employee Satisfaction Survey Recommendations

- a. Restore the metrics on fairness in hiring, ability to reach full potential, recognizing staff who excel, career/professional development and mentoring that were included in the 2009 survey.
- b. Shorten the survey using data reduction methods such as factor analysis. Drop the CEO and chiefs evaluation questions.
- c. Analyze the results of the 2011 by division or chief area and begin using these metrics for evaluation of the managers.



3. DIVERSITY & INCLUSION -- RECOMMENDATIONS FOR PROGRAM IMPROVEMENT

ERG Best Practices, Gap Analysis & Recommendations

Some of the enthusiasm and energy for ERGs has dwindled even in some Best Practice corporations recently. Best Practice principles for these valuable resources are as follows:

Critical Success Factors of ERGs

- (1) Executive support is evident and active, including those who sponsor the ERGs.
- (2) Link participation to career growth.
- (3) Set clear expectations for what is involved in being a member, leader, or executive sponsor. Some D/I programs have developed job descriptions and clear roles for ERG membership.
- (4) Ensure business plans are established for each ERG which clearly links their activities with organizational goals. The plans should include goals, implementation steps, including goals for growth in membership and other metrics of service.
- (5) Understand and set organizational policy for the time commitment that is necessary to accomplish tasks.
- (6) Recognize accomplishments of ERG as a group and leadership

Some innovative ways that the Diversity Inc Top 50 companies are using their ERGs include:

- Tap into understanding their clients and markets
- Assist in successfully onboarding new hires
- Identify gaps in training needed
- Develop the leadership in the ERGs with professional development opportunities



ERG Recommendations


The District has very strong support from its CEO. However, the other five critical success factors listed above are not evident. It is recommended that an evaluation of the ERGs and their role and function is in order. Alignment with the Best Practice standards and rethinking how ERGs are chartered and what is expected of them will be critical to keeping the membership engaged and to linking their ideas and feedback with important activities the District is undertaking such as workforce development and succession planning efforts.

The District's ERGs are currently struggling with burned out leadership, dwindling membership, and difficulties generating enthusiasm for organizing activities. In the September 2011 D/I meeting of ERG leadership, there was discussion on the dwindling membership of the ERGs across the board as well as their struggles to maintain interest, to get members to attend meetings and activities, and to get people to volunteer their own time. The issue of being paid for their work is often referred to.

Members of the D/I Council indicate some staff feel membership in the ERGs means they are not 'team players.' The non-ethnic based groups indicate they are likewise struggling with the negative perceptions of the Diversity & Inclusion Program. Some ERG leaders characterized their organizations as 'on life support'. Association of Black Employees, Indo American, and the Parents Network were noted by D/I Council members as non-functional, as 'nearly dead' -- consistent with statements made in the 2008 focus group with the Diversity Council membership.

The vitality of ERGs, as well as the leadership and lack of fresh leadership to bring new ideas into the groups, have impacted their effectiveness since at least 2007. As early as 2006, there were acknowledgements of negative perceptions among District staff that events were too 'lavish'. During the 2009 cultural assessment, the poor perception was clearly a source of frustration with 40% indicating they had no opinion or did not know anything about the ERGs. Of those expressing an opinion, 25% gave them a poor rating and 7.4% an excellent rating.

On the other hand, ERG leaders appear to recognize and support the need to transition from the former social entities to groups that will facilitate the District's external community outreach goals and internal needs for inclusion. However, little guidance has been provided at the program level, they have worked hard in the past and are feeling burned out and unappreciated. None of the groups mention the support of their executive sponsors, so their engagement does not appear to be uniformly active in providing guidance.

 The number of ERGs and their leadership and activities have been a strength of the Diversity & Inclusion Program. The District has been working at Best Practice level with these groups in terms of the CEO meeting in the D/I Council, and the numbers, their membership and scope of coverage of ERGs. A survey of the Diversity, Inc. Top 50 companies shows the District to be Best Practice: the CEO meets with ERGs; they have executive sponsors and are allowed to meet during the workday.



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On the other hand, the ERGs have had trouble transitioning to the business case perhaps due to the frequent changes in the program. This can be seen by the small expenditures made by the groups in terms of time spent on activities and direct expenses for activities. Therefore, a number of recommendations are offered below to guide development of the future structure and operation of these potentially valuable resources to the District:

Recommendation 8. ERG Council.

- a. Establish in place of the current Diversity & Inclusion Council an ERG Leadership Council with quarterly meetings as a forum to share ideas on common issues of concern. The group should be charged with not only bringing ERGs in line with Best Practices identified above, but also with common priorities, goals and projects to encourage development of a collective rather than competitive approach to diversity and inclusion at the District. In this way, they will be able to set their own agendas and discuss issues, exchange ideas and begin to work as a team to accomplish goals and invigorate the ERGs. This mechanism will allow the ERGs to focus on their expressed concerns regarding loss of members and leadership, officer burnout, lack of support by supervisors, etc. The D/I Program Administrator is suggested as a facilitator of this group.
- b. Membership in the ERG Leadership Council should be strictly time-limited to one consecutive year. This will have multiple functions: (1) to provide fresh perspectives to the group (2) to provide leadership opportunities to more staff and (3) to ease the burden and perhaps gain more support from managers who are faced with staff who are asking for multi-year, almost permanent release time from duties to work on diversity and inclusion issues.
- c. Meetings between ERGs and management would be arranged on an as needed or semi-annual basis with proposals submitted to them for consideration, adoption, and implementation.
- d. The Executive Sponsors need to become more active. They should meet with their ERGs as a group and individually to ensure involvement is taken seriously and to become more integrated into the group's activities, including development of their business case. ERGs do not appear to uniformly have an active senior management sponsor to provide guidance, coaching and mentoring. It is recommended that this be included as part of the overall effort to revitalize the ERGs in the upcoming year.
- e. Each ERG should be required to develop its own unique business case as part of its continuing recognition at the District. Consider renaming the ERGs Business/Employee Resource Groups as a way of signaling their changed role. The executive sponsor can use this to guide activities.
- f. Annual plans required by their charters should be collected and compiled into a District wide report of activities as outlined in the District policies.



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The issue regarding what should or should not be compensated needs to be definitively resolved, along with the issue of external versus internal roles for ERGs.

Diversity Council Best Practices, Gap Analysis & Recommendations

Diversity Councils typically operate in the realm of a semi-informal structure characterized by short term planning and limited accountability. They are usually activity based and may also fulfill an advisory role. Membership of these types of councils vary widely and usually represent many parts of the organization and job functions. The metrics for these Councils usually focus on activities such as trainings. There is no accountability and this model can prove to be risky if it is the primary hallmark of the program. There are a variety of diversity councils in use in Best Practice organizations

Types of Diversity Councils

A survey of diversity council Best Practices among large corporations show a variety of structures for diversity councils, not all of which are relevant to a non-profit organization such as country specific and regional councils for multi-site organizations. Following is a description of those which may be applicable to the District's situation as it moves its program forward.

Executive Diversity Councils. Membership consists of executive leadership with CEO and chief diversity officer leading it. Members have responsibility for all functions in the organization and as such can be held accountable for developing strategy and implementing it.

Business Unit Diversity Councils. Membership draws from a large spectrum of people in the organization including different job groups, affinity groups, abilities and thinking styles. These councils can be strictly advisory or part of the business operation. Metrics apply to individual business units and may include such activities as program development, heritage events, newsletters, mentoring, etc.

Supplier Diversity Councils. Membership in this type of council includes partnering with employees, vendors and government agencies. The group helps to determine ways to communicate with and encourage bids from small and disadvantaged businesses.

External Diversity Councils. Members of these groups may be used as an advisory board and are often recruited from business, government, academia, citizen groups, etc., to offer a broader perspective on issues and accountability for diversity.

Any Council which seeks to make a difference needs to reflect all levels, divisions, and functions within an organization. Representatives with these characteristics should be sought out for membership:

Clout, Respect and Credibility. Council members should not only be advocates but also critical thinkers, planners and thought leaders in the organization.




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Strategic Perspective and No Personal Ax to Grind - Members who volunteer for D/I Councils sometimes are there to solve an issue of personal interest. But Council leaders must have the ability to represent all viewpoints - an objective citizen of the organization. The Council needs people who understand the big picture as well as the operational details. Controlled passion, including people who care to make positive change and who can be sensitive to all constituencies in the District are needed.

Flexibility, Adaptability and Desire to Grow - There are many contentious issues brought to the table, they must be able to work well with others, remain open to different solutions and be introspective enough to recognize own biases.

Managing Bias - A key success factor in a strong council member is whether the person is introspective enough to manage their biases and stay open to other points of view, and change if needed.

Best Practice, Gaps & Recommendations

 Many successful Diversity Councils are assembled based not on one's office or role in an ERG but rather to represent a diagonal slice of the organization. The CEO has in the past two years moved the Diversity and Inclusion Council partially down this path by including executives, some process owners, and members of all District occupational groups.

Recommendation 9. It is recommended that the transition in membership in the Diversity Council be taken to the next step by assembling a new group along organizational lines to include process owners and those who can be held accountable for getting work done. This would be more in line with District benchmarks as well as practice among top diversity corporations. This management group would be made up of individuals who are responsible for functions which are key to the success of a Diversity & Inclusion agenda at the District. The recommendations that are identified for adoption from this report should be integrated into their work plan for which they are held accountable.

It may be that the District may still need this management Diversity Council after implementation of the recommendations from this audit. Whether this structure will continue to have a role or if it should be rolled into the existing management leadership group should be evaluated at the end of the implementation plan.



RECOMMENDATIONS


Community Engagement

Community Sponsorships

In Fiscal Year 2010-2011, the D/I Program sponsored 17 community events totaling \$22,690. The range of organizations includes Latino, Black, and Asian civic groups. San Jose State University Engineering program activities were also supported through the program. Appendix 10 provides a complete listing of these activities.

Professional Conference attendances are provided from FY 2009 to FY 2012. Seven conferences have been attended over the years by various District staff. Government relations provided a list of 16 community sponsorships the District has supported in 2010-11. Plans for 2012 were also listed. The events were regional and ethnic oriented. Two were related to the District's mission: Guadalupe River Park and Gardens and the Palo Alto Emergency Preparedness Committee Fair. (Appendix 10)

Community Relations

 The District outreach into the community and the sincere desire to connect with the variety of communities is shown by current activities. The expansion of the Diversity & Inclusion Program goals into outreach with communities impacted by District projects is a clear effort to promote the vision of the District as a responsible Bay Area citizen with a sense of corporate responsibility.

However, there is overlap between the events and sponsorships supported by the Diversity & Inclusion Program and Government Relations in terms of coverage of ethnic-oriented events and civic groups. The two programs should coordinate their sponsorships to better reflect their individually unique roles. This coordination will be facilitated by the new proposed structure merging the departments to report to one manager.

Recommendation 10. In addition, it is suggested that the District take a further step back and evaluate its practice of sponsoring these groups in light of the District's view on civic duty and responsibility, relationship to the District's mission, and for the ROI to the District.

Consideration should be given to sponsoring events, including the activities of the ERGs which align with the mission of the District and the image the District wants to project to the community -- in other words to be 'Drip' associated. These may include a focus on water quality, flood protection, recycled water, education, preservation, conservation, protection of the water ways, environmental issues, etc. The form that is completed for approval of such sponsorships (F640D48) includes questions on this dimension.



4. Recommendations for Ethics & Equal Opportunity Processes

Gap Analysis Observations on EEOP Budget Project Milestones

Associated with the FY 2010 budget for the EEOP program are these three project milestones:

1. Bring resolution to allegations of discrimination, harassment, disparate treatment, and retaliation at the District in a timely and fair manner.

No judgment can be made on the effectiveness of this first milestone. It appears that the number of complaints has been reduced and triage has resulted in fewer formal investigations. There does not appear to be metrics or mechanisms in place to evaluate the quality indicators of 'timely and fair' or to help staff fully understand what is to be reported and the level of proof that is needed to judge a complaint to be sustained.

2. Analyze trends of complaints filed to determine necessary training or proactive interventions to reduce the number and provide 'lessons learned' to managers and employees.

This does not appear to have been done since the data has not been updated for at least a year. Other evidence to support this conclusion is the fact that the lists of cases provided conflict with summary numbers verified and provided in the tables for this report. Lists can be generated, but it appears no analytical reports are being produced, distributed or communicated to staff. This is a long standing issue.

3. Analyze applicant pools to ensure no disparate impact is occurring based on the relevant labor force.

The disparate analysis is conducted at the end of each fiscal year. The use of the census template is used as a way to guide composition of the interviewing/hiring committees. However, suggestive evidence of over-use of some individuals in these groups was found. In addition, data provided to the evidently sole source external consultant who performs the analysis does not include sufficient detail for the report to be meaningful and accessible to management. Finally, the all District analysis is currently done after the fact rather than at the time of the hire. It was previously done when there were 8 applicants.



Ethics and Equal Opportunity Gap Analysis and Recommendations

💧 The District showed its commitment to ethics and equity by the establishment of an office devoted to ethics and equity, the allocation of the budget and use of anonymous complaint lines. These were all serious attempts on the part of the District management to prevent unfair treatment of staff and to provide a work environment that is free of discrimination, including sexual harassment, unfair treatment or retaliation against staff members for expressions of dissent consistent with EL-3 and EL-10, Treatment of Staff and Equal Employment Opportunity.

The EEO office is heavily involved throughout the hiring process and has a hand in decisions being made at each important step and stage of the process. While the intent to involve EEO in the process is laudable in that there are checks throughout the process for diversity, the issue of appeals for staff becomes problematic and naturally represents a clear conflict of interest. This places the staff involved in handling complaints in a difficult situation since appeal are made to their supervisors.

Recommendation 11. Restructure Ethics Complaint Process. A confidential and independent investigation and inquiry process for equal opportunity issues that are raised by staff is in need of substantial change in order to prevent perceptions of a conflict of interests. The hiring and promotion process as well requires closer scrutiny, stronger leadership, strategic oversight and independent channels for handling complaints of fairness, ethics, and equal opportunity.

In order to improve the reputation of objectivity, establish independence from operational units and chiefs, encourage internal handling of issues rather than having them escalate to external agencies, and in line with currently accepted Best Practice, it is strongly recommended the ethics and equal opportunity oversight function be moved to report to the CEO or legal counsel, perhaps as a reconfigured division with responsibilities for equity, ethics, and community relations. This office should also have oversight of the ethics function and serve as the EEO Officer for the District, with a strong mandate from the CEO and the Board to establish and maintain the integrity and confidentiality of complaints regarding equity in upgrade and promotion processes as well as ethnic and gender related issues. ***A fresh sweep is absolutely necessary to begin to build and restore confidence among District staff.***

Recommendation 12. Keep up to date records and produce accurate and clearly defined reports on ethics and equal opportunity complaints and investigations.

There have been recommendations dating at least since 1997 and there is still no accurate database for staff complaints. There is mention of a tracking system in the policy for the complaints but none could be produced. No information has been entered into the system for at least the last year. Obviously, a key to accountability and transparency is to collect, maintain and disseminate accurate information. This ensures that appropriate management knowledge is established and preventive actions can be taken to reduce organizational risk. There is a lack of monitoring and measurement standards for this function and appropriate record keeping with clear definitions of



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events. This should be remedied immediately. Reports should be distributed regularly to management and staff, reported as one of the District metrics, and broken out by Chief area so that the data is actionable, ensuring patterns can be discerned and remediated to prevent issues in the future.

Recommendation 13. Reconsider Anonymous Submission of Complaints. The current Ethics practice (AD-2.11) allows for submission of anonymous complaints to be filed. While the rationale for this is understood, anonymous complaints pose a threat to the feelings of security of staff members and managers. It is strongly recommended their use be reconfigured or reconsidered. The issue lies with lack of confidentiality once issues are reported and in trust in the process. This issue of lack of confidentiality, rather than allowing anonymous complaints, should be addressed.

Recommendation 14. Clarify definitions and scope of ethics and equal opportunity complaints authority and definitions. While it appears that the Chief of Administration has taken steps to clarify the situation already in this area, there is still confusion in the current policies between what an EEO complaint is versus what constitutes an ethics issue. This needs to be remedied. The definitions, policies, operational procedures and standards for evidence should be clarified, in writing, and communicated widely. The larger issue here is that expectations for what is or is not appropriate to be reported and investigated does not seem to be uniformly understood. Therefore, producing this documentation will help to set expectations as well. Finally, the language in the policy regarding appeals is redundant and unclear. The only appeal for an ethics complaint is to the same office which conducted the investigation.

Example. The policy indicates that second hand reports (reported by people not in the situation and external to the District) will not be investigated unless it seems credible, but the office mentioned at least one significant example of such an investigation. This procedure, along what is appropriate to be investigated, must be clarified.

Recommendation 15. There is currently no Ethics Committee as set out in the policy. This should be updated in the policy or a committee should be established.

Disparate Analysis - Gap Analysis & Recommendations

Recommendation 16. Disparate Analysis for each Recruitment. It is recommended that the District consider doing an individual disparate impact analysis at the time of hiring. There are a number of free and very simple to use tools on the web that would permit an evaluation of the hire in a more timely manner, even during the hire to evaluate the representativeness of the applicant pool.

The District should consider monitoring more closely its labor force utilization rates and report on them on a route basis to management, District staff, and the Board. Consideration should be given to setting goals for developing the pipeline to ensure more females and other under-utilized people are made aware of the opportunities at the District.



Equal Opportunity Policy Analysis & Recommendations

Based on the organizational chart provided, there appears to be no unit manager within the EEO function unlike the other three units under the Human Resources Division. Instead, the Deputy Administrative and Ethics Officer serves as the supervisor of this unit. Given the many duties of this HR Officer and the sensitive nature of the tasks, including the considerable amount of judgment and discretion needed for an effective operation, greater management oversight is strongly recommended.

An analysis of the policy, gaps, and recommendations for changes and updates to the policies are provided below.

Recommendation 17 - for EEOP & Related Documents

Policy Element	Gap Analysis & Recommendation
<p>The EEO policy indicates there is a "positive and continuing Equal Opportunity/Non-Discrimination Plan" (Source: p 3 of AD2.8)</p>	<p>A. Recommendation: reconsider reviving the practice of setting formal goals/metrics in an overall strategic plan or the D/I Master Plan. Update the policy language including the website.</p> <p><i>The EEO staff indicated there is no longer a plan. This plan statement is also on the website. Instead of a plan, these policies are used to guide EEO efforts: EL3, EL10, GP11, and EEO policies. (Source: email from EEO staff 10/7/11)</i></p>
<p>The EOP unit and Recruitment and Examination review all District testing and selection methods to identify barriers to employment, training, and promotion. (source: AD-2.8 p. 8)</p>	<p>B. Validation of testing procedures and interview questions procedures seem to be based on face validity, judgment of HR analysts and developing consensus with the hiring manager. A more rigorous system should be developed with subject matter experts as part of the job description development.</p> <p>There are no known management reports that would allow evaluation of success or barriers to employment, training, and promotion. This is a lack of operational and analytical reports to help manage and evaluation the impact of these processes.</p>
<p>{the office} reviews recruitment and selection procedures for disparate impact on specific groups.</p>	<p>The current disparate analysis is done annually, after the fact. The data provided omits key factors necessary for the</p>



RECOMMENDATIONS

Policy Element	Gap Analysis & Recommendation
	analysis, applicant pools are not provided by position; analysis conducted; tests are not appropriate, and thus findings are not useable.
Some of the titles of offices and roles are out of date and need to be updated	C. Update the titles. For example, the EEO officer and the EEO investigator are recognized as two roles in the policy.
Reasonable accommodation and disabilities issues are covered in the policy.	D. Persons with disabilities are noticeably absent at the District and on the website. Recommend adding a tab to the 'Jobs' dropdown to include disabilities/ accommodation language.
Integration with Diversity & Inclusion	E. Work with D/I program to update the language and concepts. Likewise, D/I should evaluate the policies and be involved in their updates and modifications.
Human Resources Investigations are to be reviewed to determine breakdowns in management systems so corrective actions can be targeted for future prevention. <i>source: HR System Framework Jan 31, 2011 p 17)</i>	F. This does not appear to be done at this time since the database has not been updated for at least a year. There are many notes referencing interventions during the Treatment of Staff/Ethics process. Given the lack of a database and other management information, it is unclear if there is systematic analysis of the results over time to identify areas of needed improvement or training that would aid in prevention.
<p>HR System Framework Jan 31, 2011- Recommendations Related to EO and Equity</p>	
The HR System Framework dated January 31, 2011 shows The Ethics and EO Programs Unit has broad responsibilities through the organization including responsibility for ensuring the District adheres to the Equal Opportunity/Non Discrimination Plan, administering the discrimination complaint process and harassment, etc. <i>source: HR System Framework Jan 31, 2011 p 9)</i>	G. The policy needs to be updated to reflect current situation that there is no EO plan. In addition, duties of the Ethics and EO Programs Unit has these responsibilities listed below which do not appear to be sufficiently addressed at this time include: Assist Recruitment in outreach activities Facilitating community outreach efforts Review job categories where the District has indications of under-utilization. Facilitating Business Outreach Programs



RECOMMENDATIONS

Policy Element	Gap Analysis & Recommendation
	<p>Reviewing the District's contracting processes and methods to identify barriers to equality in contracting. The annual EO/NDP contains a more detailed listed of the EEOP unit duties (NB: there is no longer an EO plan.</p> <p>H. There are no monitoring requirements and this should be remedied and should be aligned with the Board policy objectives.</p> <p><i>(source: HR System Framework Jan 31, 2011 p 9)</i></p>
<p>The Recruitment & Examination Unit description of scope is a listing of activities and does not describe its policy or management functions and there is no mention of its role in EO, recruitment of a representative applicant pool, ensuring fairness, etc. (p. 18)</p> <p>... shall solicit and evaluate stakeholder feedback, employee, or community concerns and suggestions as a component of its program evaluation process. (p. 16)</p> <p><i>(pp. 8 and 16 HR System Framework Jan 31, 2011 and HR-Recruitment and Selection Document Q621S01 p 2)</i></p>	<p>I. Rework the scope of the description to include equity and fairness.</p> <p>J. There are no quality monitoring requirements for the system (page 10) and this should be remedied.</p> <p>K. Develop a mandatory communications plan for recruitments and procedures for debriefs with candidates.</p> <p>L. Review new employee training program materials and need for continuing work with staff on interviewing, coaching for jobs, etc.</p> <p>M. Develop benchmarks for performance using multiple feedback mechanisms from all stakeholders as well as an annual review process of the program which is published on the internal website.</p> <p>N. A post recruitment survey to obtain feedback was recently instituted but no data was available. Questions included need to be modified and reports should be produced and communicated as part of the review process.</p> <p>O. The internal monitoring and measurement metrics are limited to the number of days a recruitment takes. These</p>



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Policy Element	Gap Analysis & Recommendation
	need to be expanded to include quality and compliance issues.
<p>Assessment, Prevention & Control function is nicely worded but systems that would provide the information do not appear to be in place.</p> <p><i>(p14 HR System Framework Jan 31, 2011)</i></p>	<p>P. Strong management information is needed in the unit overall. This function is one of the many functions that are impossible to accomplish without solid business intelligence reporting.</p>
<p>Program Evaluation. The DAO or designee shall evaluate the implementation and effectiveness of the HR program on an annual basis.</p> <p><i>(p19 HR System Framework Jan 31, 2011)</i></p>	<p>This evaluation appears to take the form of evaluation of the head of the unit and its administrative oversight which is only a part of the evaluation.</p> <p>Q. It is strongly recommended that this policy be implemented as currently set out and give priority to the recruitment and selection processes first. An audit/evaluation committee should be appointed by and report to the CEO/auditor/legal and should target completion within this fiscal year.</p> <p>R. After the first evaluation, a debrief should be performed and the policy modified accordingly as to what worked and did not.</p>



5. Recommendations to Improve CEPP

The current CEPP process does not appear to support the spirit of the Unit Managers and Supervisors Framework task to ensure... "that performance ratings are fair, consistent, and intended to assist employees in improving their abilities". A key to feelings of unfairness at the District are the inconsistent manner in which the evaluations are applied.

The issue of fairness, equitable access to promotions, training and professional development remain despite numerous studies over the last two decades. Equitable access to training and career development needs to be monitored, possibly through the CEPP cycle.

Inclusive workforces actively build communication, teamwork, and focus. They create this environment through motivation, respect and dignity. Communicating and working really well with and understanding the needs of people who are different defines an inclusive work environment. One of the important tools to communicate with staff in a formal manner is the performance appraisal system. Communicating honestly about performance builds greater understanding and mutual respect. Lacking this honesty and communication leads to mistrust, disrespect and lack of understanding about expectations.

Best Practice Keys to Effective Performance Systems

Communicate. Communicate. Communicate with subordinate employees. This improves attitudes and trust. One of the keys to successful evaluations is to write it with the employee's interests in mind. They want to know where they stand and what they need to do to move ahead. Focus on the successes of the year, and of the upcoming year.

Factors to consider that could influence how a review is perceived indicate employers should:

- Use the test of 'business necessity' – i.e. only evaluate those areas that are necessary for effective job performance.
- Maintain accurate, up-to-date job descriptions.
- Communicate clear job standards so employees understand what they need to do to get top ratings in their appraisals.
- Don't allow performance problems to continue unchecked; document problems when they occur so you can reference these records in your appraisal preparations.
- Be aware that outside forces (family or health problems) may be contributing to employees' poor performance. However, while you can be aware of such issues, you cannot allow it to justify poor performance.
- Make performance evaluation an ongoing process and have appraisals filed correctly for employee reference.



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- Work to establish an office culture in which top managers support their peers' efforts to discipline poor performers.
- Be open to the possibility that employees may not be in the position that best suits their abilities; be aware of the need to rotate employees into different jobs

The evaluation system as it is currently practiced does not appear to support consistent ratings, and equitable access to training and promotions since it is not uniformly administered across all units and standards for quality and professional attributes are not clearly delineated. It does not appear to be a tool geared to celebrate high performance, creativity, working in an inclusive manner, and excellence. It also does not appear to be uniformly used to identify a career path for advancement and access to professional development opportunities. This document and process are essential and often the only official written record of a person's work in the year and can play an important role in informing the succession plan and internal promotions.

Recommendation 18. The evaluation process should be re-designed to place more emphasis on celebrating accomplishments and acknowledging the energies and contributions of District staff. The ratings will never be taken seriously if they are not used. *A high degree of distrust of management typically revolves around the lack of communication surrounding performance appraisals and not holding low performers accountable. This has significant impact on District morale as can be seen in the recent engagement survey shows and will be a growing problem as the numbers of staff at the District declines and as more experienced staff retires, placing new and increasing demands on those remaining.*

Recommendation 19. Consideration should be made to allow staff to consent to include current supervisors' letters of support, recommendations, appraisals, etc. during the promotion process. As it is currently designed, the promotion process is based too heavily on a single 'audition' type performance during an interview process rather than a celebration of the staff's willingness to step up to shoulder greater responsibilities and a measured, comprehensive, careful consideration of the staff's entire career with the District.

Recommendation 20. Management needs to take responsibility to ensure evaluations are done in a consistent and meaningful manner. The evaluations should be included in the District databases to allow for analysis.

Recommendation 21. Procedures and reporting mechanisms need to be put in place to ensure that professional development opportunities are provided in an equitable manner throughout their units.

Recommendation 22. An obstacle to access to promotions is the 'unmet needs' process which allows managers to recruit externally without a period of time allocated to internal hires. . It is not reasonable to assume that managers can know if talent to fulfill their position is internal or not. Therefore, given the emphasis on workforce development, budgetary considerations, and most significantly, fairness to District staff, it is recommended that this process be stopped and all positions have a time for internal applicants only.



RECOMMENDATIONS

Manager Support

Recommendation 23. Communication skills and handling the evaluation process should be a major developmental thrust for managers over the next two years. Studies show staff want to discuss their performance. They want to know where they stand. When they don't, mistrust develops.

Recommendation 24. Training in diversity and inclusion, communications, difficult communications and performance appraisals is strongly recommended prior to implementation to ensure both managers and staff understand what is expected of them and have clear standards for what is included in each work plan and how work plans may be adjusted.

Recommendation 25. Develop support system for managers to assist their efforts to discipline poor performers. Delay further administrations of the 360° evaluation system as well as the staff survey evaluation of unclassifieds and other management team members until the District has the foundational elements of a 360° evaluation in place including a cohesive and supportive management team.

Recommendation 26. Integrate the new workforce development and succession planning, as well as greater attention to equitable access to professional development opportunities in the redesign of the form and/or evaluation system.

Form Changes

It is unclear if the attributes valued by the District are included in the current evaluation form. Personal attributes included: job knowledge, judgment, teamwork/leadership, and customer service. Other attributes that are noted in mission and value statements including diversity and inclusion, are not included. Consider characteristics such as team building and working across the silos at the District, problem solving, communications with colleagues, strategic vision/leadership, confidentiality, working with a diverse team, respectful relationships with co-workers and subordinates should be considered.

The Classified Employee Performance Program collaborative updated February 2010 does not sufficiently outline the standards for placing a staff member in each of the existing categories. This is especially true of the professional attributes section. Guidelines for what behaviors and what justifies classifying a person in each category is recommended to ensure more uniformity and thus fairness across the District.

The CEPP forms and current practice do not seem to allow sufficient differentiation to identify strong performers from poor ones. As such, this issue is one of the key factors in the District staff perception of lack of accountability and unfair treatment.

Recommendation 27. Expand the rating systems from the 3 point system currently in use to at least a four point system that allows greater positive reinforcement and



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recognition of staff. Categories that others have found useful are: exceptional, commendable, satisfactory, and needs improvement. Another four point scheme is: Outstanding, Competent, Needs Improvement, and Unsatisfactory. The lowest category of the ratings, whatever terminology is used, should be clearly linked with pre-disciplinary flags.

Among the factors to be considered in adopting a new system is a middle point allows managers to dodge honest conversations about performance. *(This recommendation was also identified in the 2009 Workforce Satisfaction/Cultural Assessment Action Plan, (Finding A4), that HR should meet and confer with bargaining units to develop more effective CEPP including expansion of rating scores from 3 to 5 possible scores.)*

Recommendation 28. Add to the instrument ample opportunities for supervisors as well as staff to list their accomplishments, projects, and other explanations. This will provide internal applicants for jobs a better advantage to document their work productivity, creativity and experiences that may not be evident in their job descriptions.



Committee: Diversity and Inclusion
Meeting Date: 04/23/18
Agenda Item No.: 4.3
Unclassified Manager: Anil Comelo
Email: acomelo@valleywater.org
Est. Staff Time: 1 Hour

COMMITTEE AGENDA MEMO

SUBJECT: 2015-2019 Diversity and Inclusion Master Plan

RECOMMENDED ACTION:

Ad Hoc Committee receives information and staff provides comment to the Board in the implementation of the District's mission as it applies to the Santa Clara Valley Water District 2015-2019 Diversity & Inclusion Master Plan.

SUMMARY:

The Diversity and Inclusion Program at the District is guided by the 2015-2019 Diversity and Inclusion Master Plan. The plan includes 53 specific tactics to achieve the Plan's three overall goals to:

- (1) Sustain and Enhance a Diverse Workforce;
- (2) Advance Workplace Inclusion and Engagement; and
- (3) Strengthen Community Engagement.

Of the 53 specific tactics, 46 are ongoing or have been completed.

BACKGROUND:

Please see the attached PowerPoint which includes the status and commentary on all 53 Diversity and Inclusion Master Plan strategies and tactics.

ATTACHMENT(S):

Attachment 1: 2015-2019 Diversity and Inclusion Master Plan
Attachment 2: 2015-2019 Diversity and Inclusion Master Plan Tracking

Engaging Our Diversity: 2015 - 2019



The mission of the district is to provide Silicon Valley safe, clean water for a healthy life, environment, and economy.

Diversity and Inclusion Master Plan



Executive Management Commitment

Critical to delivering quality products and services for the communities we serve is a District workforce that finds strength and creativity in its diversity, and that flourishes in an inclusive work environment. Within this environment, our success comes from the actions of skilled, dedicated employees from across our organization who work hard every day to ensure a reliable and safe supply of water, flood protection for homes, schools and businesses, and stewardship of streams and watersheds through creek restoration and habitat protection.

We are proud of our diverse workforce and with that diversity as a continuing foundation, our focus in the coming several years must be fully leveraging our diversity in support of our mission to provide Silicon Valley safe, clean water for a healthy life, environment and economy.

Engaging Our Diversity: 2015-2019 is the District's strategic framework for advancing our goal to engage all employees in a culture of inclusion, openness, respect and trust. It is also a road map to prepare our future leaders to lead an engaged and diverse workforce. *Engaging Our Diversity* builds on the foundation established by the District's prior Diversity and Inclusion Master Plans, which laid important groundwork for sustaining and strengthening the capability of all employees to contribute to their full potential.

We understand that employee engagement requires a leadership commitment. It begins with our commitment to communicating honestly, demonstrating integrity and accountability, fostering trust, and setting the right course to lead to success. While engagement begins at the top, it is sustained only when it is embraced at all levels of the organization. We look forward to the participation of all employees in this important work.

Beau Goldie

Chief Executive Officer

Stan Yamamoto

District Counsel

Jim Fiedler

Chief Operating Officer, Water Utility Enterprise

Michele King

Clerk of the Board

Norma Camacho

Chief Operating Officer, Watersheds Operations

LeeAnn Pelham

Director, Ethics and Corporate Governance

Jesus Nava

Chief Administrative Officer, Administration

Grant Lee

Deputy Administrative Officer, Human Resources

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I. Overview

Engaging Our Diversity: Why it Matters

The District is critical in delivering core resources needed to support the region’s economic engine. Facing significant environmental challenges, including severe drought, aging infrastructure, and climate change, the District must plan for the future to ensure it adapts and can effectively leverage these economic and demographic opportunities. This includes keeping pace with technological advances to remain at the forefront of innovation in the water industry.

At the same time, the District’s workforce faces significant transitions similar to other “engineering centric” organizations. For example, in FY14, with an average age of 50, 43% of the District workforce is eligible to retire; up 3% from FY13. Effective planning for a future workforce, along with succession planning and professional development needs of our current workforce, are paramount to help ensure all District employees are equipped with the right information and skills at the right time to support continuity and resiliency of District operations despite these major workforce shifts.

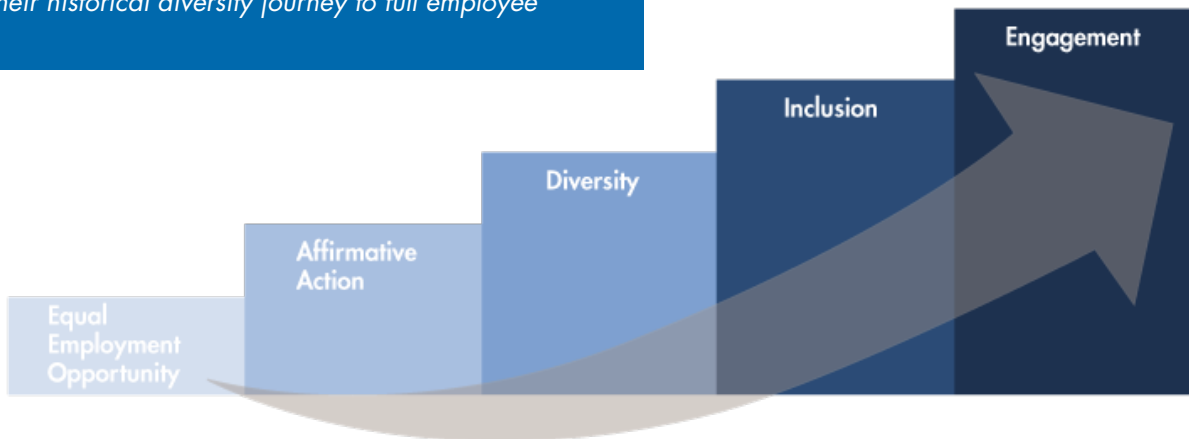
Against this backdrop, effectively engaging a diverse workforce requires implementing organizational strategies now that invest strategically in the development of all employees’ talents, knowledge base, and leadership for long into the future.

This investment is critical to our business success. An engaged workforce creates continuity during periods of organizational transition, improves productivity and performance, enhances problem solving, and breeds innovation – all of which contribute to employee satisfaction and keep the District an enjoyable place to work.

“Diversity encompasses all that makes us unique, including the diversity of thought and perspective that accompanies our identity. Only then can we realize the full performance potential and harness innovation that diversity offers. This is more than a legal or moral imperative, it is a business imperative for public service.”

(Source: US Office of Personnel Management)

As noted in the District’s previous master plans, the Diversity Continuum is a conceptual framework to aid organizations in evaluating their historical diversity journey to full employee engagement.

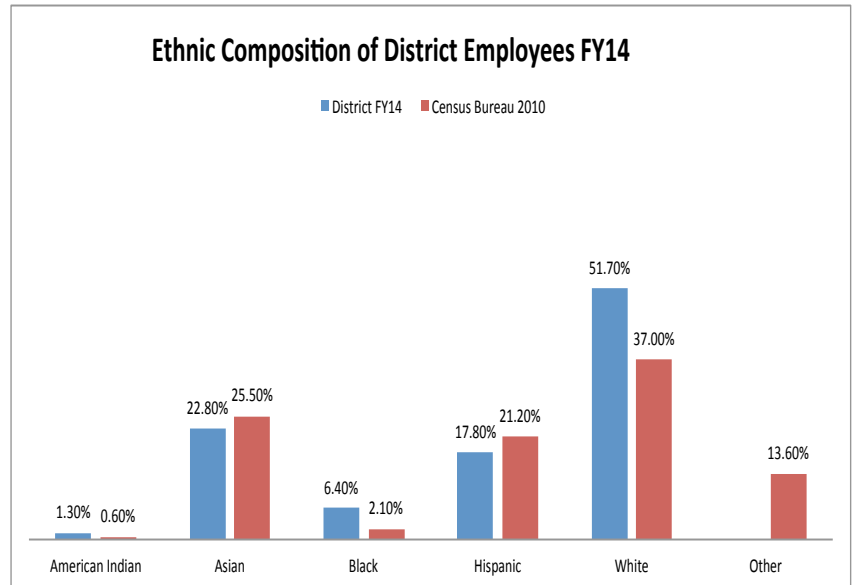


Building on Our Foundation

Our Workforce

The District can most effectively accomplish its mission by sustaining a workforce that reflects the realities of our region's communities and of our customer base. By ethnicity, FY14 data shows the District's workforce is 52% white, 23% Asian/Pacific Islander, 18% Hispanic, 6% black and 1% American Indian. A comparison to the Santa Clara County 2010 Census general population data is indicated in the graphic at the right. In regard to gender, the FY14 data shows the District's workforce is 51% male and 49% female. Continuing to examine and understand the broader community helps in shaping effective strategies to accomplish our mission.

To promote our diversity and broad outreach for recruitment, we regularly review the traditional indicators of diversity, ethnicity and gender against available census data. Compared to Santa Clara County 2010 Census Job Group Availability, for example, the District's workforce composition is on par with the County labor force criteria in 90% of the categories.



Governance Policies

The District's commitment to a diverse and inclusive workplace is affirmed through the District's Board Governance Policies.

In its governance process policies, the Board of Directors has affirmed the following:

We are committed to creating an inclusive work environment which reflects and supports the diversity of our community and enriches our perspectives. (GP-7.7)

The Board will require that the organization's work environment be one in which all people are welcomed and included, and in which all individuals are unique and important and are treated with fairness and dignity. (GP-11.3)

In addition, among the expectations it has established for its Board Appointed Officers (BAOs), the Board has adopted Executive Limitation 8.1 that states that the BAOs will provide leadership in diversity and inclusion that is open, honest, and fair. Management and employees will demonstrate the highest standards of personal integrity, honesty, and conduct to inspire trust and foster collaboration with each other, customers, and the community. (EL-8.1)

Building on Our Foundation (cont'd.)

The District's Diversity and Inclusion Master Plans

The District's Diversity and Inclusion Master Plan for 2015-19 continues to build on strategies that previous master plans put in motion. *Engaging Our Diversity* carries forward many of the earlier plan's objectives, including our goal to recruit and retain a high performing staff, provide innovative service delivery and to reflect the realities of the communities we serve.

Now in its fourth cycle, the District's master plans have each recognized that diversity is manifested in many forms that go beyond traditional external indicators.

At the District, embracing the rich array of differences and similarities that exists among employees enriches our perspectives, builds bridges to greater creativity and shared purpose, and therefore helps promote engagement.

Engaging Our Diversity is designed to provide a strategic framework to successfully embed our diversity and inclusion goals into the fabric of our organizational culture. Sustaining a diverse and inclusive workforce is a top organizational priority.



DIVERSITY

"A 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 experiences." (Source: US Office of Personnel Management)

INCLUSION

Recognizing and valuing our diversity and leveraging it to create a work environment where all employees feel welcomed and empowered to contribute to their full potential. (Source: District's FY12-14 D&I Master Plan)

ENGAGEMENT

"The emotional commitment and "discretionary effort" of employees; it is not just satisfaction but also emotional connectedness, trust, and commitment. Engaged employees are more likely to be very satisfied with their jobs and less likely to leave." (Source: International City/County Management Association)

Building on Our Foundation (cont'd.)

Employee Resource Groups

The District's network of Employee Resources Groups (ERGs) helps foster a diverse and inclusive workplace in alignment with the District's mission and values by promoting cultural learning and awareness. Under the District's ERG Guidelines, ERGs are defined as groups of District employees that unite in a shared vision to enhance awareness and opportunities for people of a common identity. Identity is typically viewed as one or more characteristics by which individuals recognize themselves as belonging to a specific group.

Throughout the year, ERG programming helps encourages interaction across cultures and experiences. In addition to broadening understanding and enhancing cultural competency, internal ERG programs provide opportunities for professional growth for future leadership roles and volunteerism, support to address shared issues or concerns, and insights for developing and strengthening the District's ongoing inclusion efforts. ERGs also serve as a resource to project teams to provide insight on communities within the District's project areas.

The District's ERGs are also vital in establishing community alliances in an effort to recognize and understand the communities we serve. ERGs can connect the District with diverse communities by establishing mutually beneficial partnerships in support of the District's mission. These partnerships may also lead way to potential career opportunities by expanding our outreach beyond traditional recruitment efforts. Through these strategic relationships, ERGs assist the District in building the talent pipeline and assuring broad outreach for future workforce needs. ERGs are instrumental in supporting and shaping community engagement and education around our mission and programs.

The District has nine chartered Employee Resource Groups:

- **Asian Pacific Resources Group**
- **Association of Black Employees**
- **Baby Boomers**
- **Green Team**
- **Indo-American Association**
- **Lesbian, Gay, Bisexual, Transgender/Straight Alliance**
- **Organization for Latino Affairs**
- **Parent's Advisory Network**
- **Veteran's Awareness Group**

Note: The Association of Women Employees, although not a chartered group, is a recognized group at the District.

ERG Collaboration

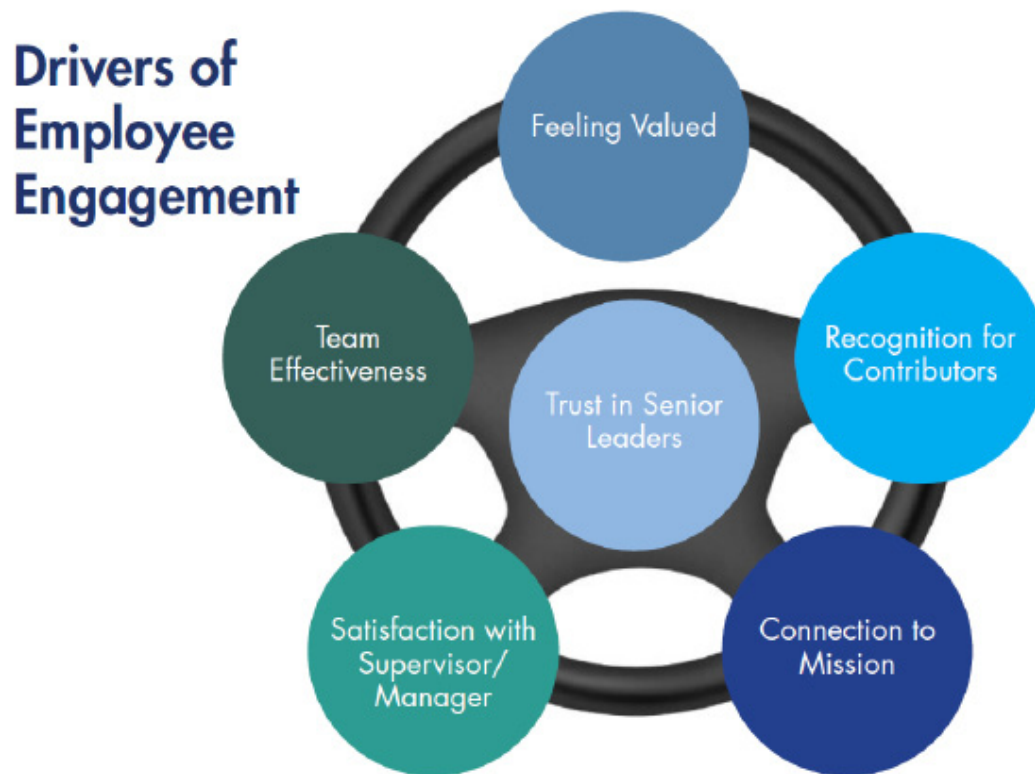
To provide a forum to support and coordinate the activities of the ERGs collectively, a district-wide group of leaders meet regularly to strategize on ERG activities, address topics of shared interest, and provide broad perspectives to support inclusion and engagement at the District. Regular participants include ERG officials elected by their membership, and other employee leaders from a variety of classifications who work in a broad range of capacities throughout the District, including executive staff, and others.

Structured through 2014 as the "Diversity and Inclusion Council", the Council will be undertaking a self-assessment of the existing structure, format, and purpose with the 2015 launch of *Engaging Our Diversity* to identify the best structure to help the District monitor and achieve its engagement goals. The Council's self-assessment will determine whether any changes should be made in its operation for FY16 and beyond.

Developing the 2015-19 Plan

In developing the framework for the District's 2015-19 Diversity and Inclusion Master Plan a range of information and resources were consulted from across the District, including direct input from employees.

2014 Workforce Satisfaction Survey - Administered regularly, the District's 2014 employee satisfaction survey told us what matters most to employees when it comes to their job satisfaction. To develop the 2014 survey we retained many questions asked previously for continuity. We also compared survey questions to those of the Bay Area News Group Top Workplaces Program annual survey to identify similarities and to provide a point of comparison. Importantly, to help focus on actionable strategies, we also researched common drivers of engagement broadly across organizational sectors. From this we understand that, in general terms, employee engagement can be viewed as driven by several common factors shown in the graphic below.



Cross-Functional Team Input - Cross-functional teams established by the CEO to evaluate workforce challenges also yielded feedback and recommendations to strengthen and reinforce the role of values in our actions as a inclusive workforce. The 2014 Values and Ethics Team, for example, received broad feedback validating the Values Statement and, recommended governance policy changes to enhance expectations for respecting and supporting all staff. Adopted by the Board in July 2014, that policy provides the District leadership will:

Integrate and operate within written ethics policies and behavioral expectations that embody fairness, dignity and respect. (EL-3.4)

Internal Engagement Roundtables - To validate our survey findings and research, we also initiated a series of internal roundtables throughout the District to provide further insights on the ways District employees find their motivation.

Broad feedback received from these outreach activities underscored that inclusive actions and practices are both a personal and organizational responsibility, and they are pre-requisites to a culture of full engagement. To achieve this requires a demonstrated commitment to leading, managing and collaborating inclusively across all levels of the organization, both in defining the issues and in implementing specific solutions. Full employee engagement does not occur immediately. Through incremental change that is focused and consistent, however a culture shift can occur that will enable engagement to flourish.

The District's Values Statement also provides a foundation for an inclusive District culture that respects and engages all employees.

The District's **Values Statement**

- The District is entrusted to serve the public and is responsible for carrying out the District mission for the benefit of the community.
- The District is committed to providing excellent service to all customers.
- All individuals are unique and important and will be treated with fairness, dignity, and respect.
- The District takes pride in its work and is accountable and trusted to carry out its responsibilities safely with honesty and integrity.
- Initiative, leadership, personal development, and training are vital for the District to continuously improve.
- Open communication, cooperation, and teamwork are shared responsibilities and essential to the successful performance of the District's work.
- The District is committed to creating an inclusive work environment which reflects and supports the diversity of its community and enriches its perspectives.
- A balance between work and family is essential to the quality of District employees' lives, and it will promote a family-friendly work environment.

To leverage our diversity as an organization and achieve a more fully inclusive work environment in which all employees are actively engaged, *Engaging Our Diversity* identifies these master plan goals for 2015-19:



GOAL 1: Sustain and Enhance a Diverse Workforce

The District's strategies for sustaining and enhancing a diverse workforce in a period of significant workforce transition include approaches designed to leverage the skill and support the success of all District employees, both now and into the future. With this in mind, strategies for Goal 1 are designed to attract, promote, and retain a diverse, creative and highly skilled workforce to support a highly performing organization. These strategies continue to build on a number of key Human Resource initiatives identified through prior Diversity and Inclusion Master Plans that are continuing to be implemented. These include:

- Continuing to develop the existing workforce by establishing robust workforce development programs that provide opportunities for all employees to develop their career paths.
- Continuing to develop a succession planning program that addresses the retirement wave, identifies employee opportunities, and advances diversity in the workplace.
- Continuing to identify potential gaps in the labor force through quarterly labor utilization analyses, annual disparate impact analysis, and develop outreach strategies as appropriate.

Building on the efforts already underway, for 2015-19, the following tactics have also been identified to achieve Goal 1.

Strategy 1.1: Maintain a skilled and diverse workforce that is adaptable to future conditions.

- Tactic:
- 1.1.1 Develop a long-term staff resources plan that identifies future staffing needs.
 - 1.1.2 Identify and develop District-wide competencies for core leadership functions including leading, managing and collaborating across differences.
 - 1.1.3 Review and evaluate the District's labor utilization and disparate impact analyses and establish mechanisms for executive leadership to annually review and address areas for improvement.

Strategy 1.2: Establish relationships with diverse community groups to attract highly qualified candidates into the organization and support pipelines for future workforce.

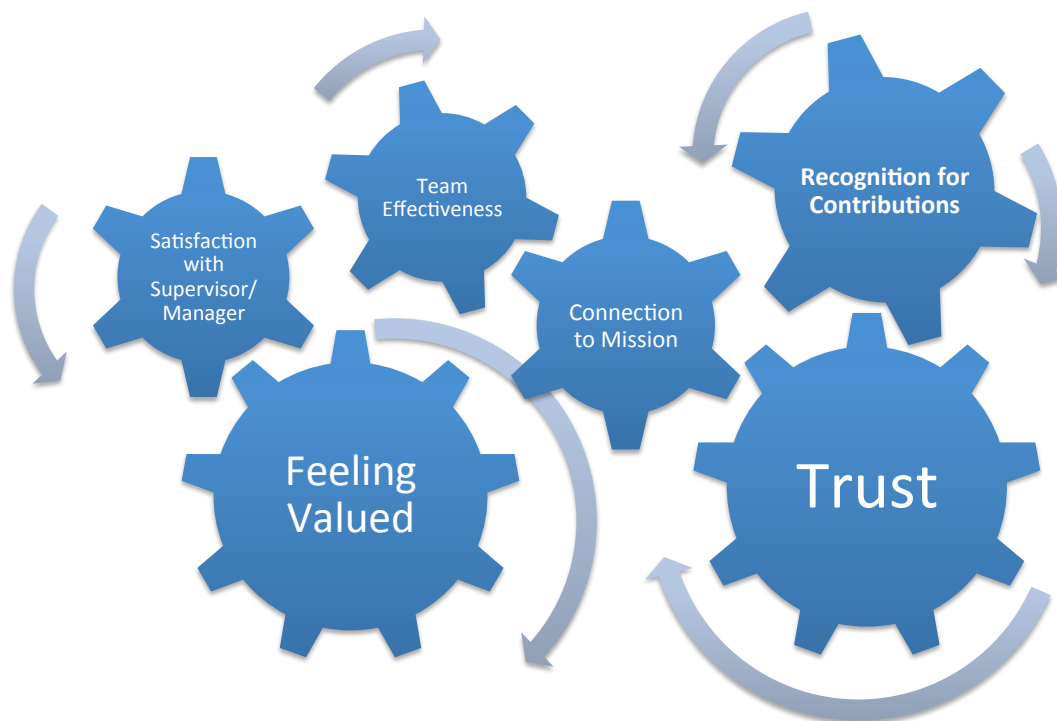
- Tactic: 1.2.1 Based on workforce labor utilization analysis, identify and conduct heightened outreach for underrepresented job classifications.
- 1.2.2 Incorporate diverse community groups into a District Key Stakeholder program to develop productive relationships that promote water resource management careers.
- 1.2.3 Support outreach to potential applicant pool to enhance interest among underserved communities by engaging District employees as mentors.
- 1.2.4 Maintain the Youth Stewardship Commission that encourages sophmores and juniors to pursue careers in the water industry.
- 1.2.5 Continue to grow our water education program in diverse communities to encourage careers in the water industry.

Strategy 1.3: Recruit and hire from a highly qualified, diverse pool of candidates.

- Tactic: 1.3.1 Enhance advertisement of District employment opportunities by using a comprehensive range of media sources, educational programs, and community-based resources.
- 1.3.2 Fully implement the revised recruitment and selection policy to ensure the District's hiring process incorporates generally recognized best practices including a hiring process premised on objectivity and fairness.
- 1.3.3 Enhance employee awareness of District polices and processes for fair and consistent recruitment and hiring practices, by continuing to provide hiring workshops and resources for managers and employees.
- 1.3.4 Partner with the educational systems and diverse professional associations, to support outreach and pathways for sourcing the District's future workforce.
- 1.3.5 Implement a competitive, flourishing intern program that facilitates hiring of entry level staff contingent upon graduation.
- 1.3.6 Develop an apprenticeship program that focuses on underrepresented job classes.

GOAL 2: Advance Workplace Inclusion & Engagement

Goal 2 places an emphasis on supporting and empowering individuals to contribute to their full potential, to cultivate an inclusive and engaged workplace that respects differences and values the unique qualities, ideas and perspectives of all employees. The District's strategies for advancing workplace inclusion and engagement build on broad employee feedback and are set in motion by a series of interrelated "engagement drivers." Working in tandem, focused strategies in one area can yield progress in others as well.



Analyzed against these engagement drivers, responses from the 2014 Workforce Satisfaction Survey indicated three specific drivers as areas at the District that need improvement: strengthening trust in senior leaders, valuing and recognizing our employees, and recognizing them for contributions to the overall success of the organization. Three other key drivers of engagement are areas in which the District showed strong positives; and ongoing efforts to support these drivers will also be continued: connecting employees to our mission and goals, satisfaction with supervisors/managers, and team effectiveness.

For 2015-19, the following strategies and tactics have been identified to achieve Goal 2:

Strategy 2.1: Strengthen Trust in Senior Leaders

Trust in Senior Leaders is developed when Senior Leaders set the right course to lead to success, create an environment that drives performance, communicates honestly and enables it with others, demonstrates integrity by honoring commitments, and acts in alignment with core values/principles.

Across organizations and job sectors, it is widely recognized that an organization's senior leadership has an increased responsibility to build trust, the underpinning of any effective working relationship. Senior leaders can be anyone who has a leadership position in a group or team; this Master Plan begins at the top. Many of the leadership trust strategies discussed below focus on the District's Leadership Team (that is, Unclassified employees). As these strategies and their impact take deeper root, their focus will cascade into additional leadership roles within the organization (i.e. Management Leadership Team and other team leaders). We recognize and acknowledge the heightened role senior leaders have in developing and sustaining trust, which is a major contributor to workplace inclusion and engagement.

Trust in leadership is earned by actions that are consistently aligned with our values:

- Accountability and follow through: doing what we say we are going to do and acting accordingly
- Effectively communicating the strategic direction of the organization, and providing support to promote success
- Demonstrating a commitment to inspire, support, and lead diverse teams
- Removing unintentional barriers to individual and organizational effectiveness
- Continuing to develop and refine the "soft" skills needed to lead high performing teams

Accordingly to achieve Goal 2, strategy 2.1 will be pursued in 2015-19 through the following tactics:

- Tactic: 2.1.1 Within the next fiscal year, Senior Leaders will develop a shared understanding of the value of trust and its relationship to inclusive leadership practices in a high-performing organization.
- a. The Leadership Team (LT) will develop a facilitated LT workshop(s) on the link between trust, inclusion, and employee engagement to identify and develop division-specific strategies for improving and sustaining trust.
 - b. The LT will provide multiple avenues for employee input on ways to improve trust levels across the organization.
 - c. The LT will develop and implement an action plan to promote inclusive leadership practices within their division.
- Tactic: 2.1.2 Demonstrate the Senior Leader commitment to strengthening engagement throughout the organization.
- a. Beginning in FY16, LT members will identify as part of their annual performance goals one or more methods for advancing the District's strategies for inclusion and engagement each year.
 - b. LT members will commit to serving as an ERG ally/resource every other year to broaden leadership support and promote success of ERG efforts.
- Tactic: 2.1.3 Support ongoing strengthening of knowledge, skills, and abilities for leading inclusively.
- a. All new managers/supervisors and emerging leaders at the District, including ERG leaders, will participate in a leadership course focused on leading across differences within their first year.
 - b. As part of their five-year professional development plans, LT and MLT will identify one or more training opportunities on leading across differences (e.g. 'soft skill', unconscious bias) no less than every three years.
 - c. Develop and launch a pilot program to enable LT to use a 360-review as a coaching opportunity to gain additional insights and feedback on inclusive leadership practices.

Strategy 2.2: Recognize and Promote the Value of Employees

When we feel valued as employees we are more likely to advocate for the organization as a workplace, see the organization investing in our professional growth, see people valued as the organization's most important asset, have the ability to have some control over how our work is done, scheduled and managed, and feel work/life balance.

The strategies below continue to build on a number of key Human Resource initiatives underway aimed at developing the workforce, including:

- Opportunities for each employee to develop a 5-year career plan with their manager's support
- Training for emerging leaders interested in management position and management administration for new supervisors/managers
- A rotational program that allows employees to learn new skills on the job
- Mentoring for technical areas and leadership development including increased involvement in leadership and accreditation programs

The following additional strategies and tactics have been identified to achieve Goal 2:

- Tactic: 2.2.1 Ensure that the workforce is proficient and competitive for promotional opportunities by fully implementing and sustaining an effective Employee Development Performance Program (EDPP) that helps all employees develop their skills by:
- a. Supporting LT and MLT in their understanding of the responsibility for developing their staff, by requiring participation in 1 or more performance management workshops (e.g. on effective goal setting, EDPP user software training, 1:1 coaching, evaluations, dealing with poor performers, and providing effective feedback) no less than every two years.
 - b. Tracking development conversations with staff by reporting out with LT and MLT semi-annually on the extent of completed development conversation that link employee goals to future achievement at the District.
- Tactic: 2.2.2 Promote a work environment that values all employees and a richly diverse workforce, including work/life balance, and that is free of any form of harassment or discrimination.
- a. Conduct workshops on District Values and behavioral expectations that solicit employee input and discussion at the organizational Unit level to help develop set of District Expectations that support a work environment that promotes organizational values in practice.
 - b. Expand the offerings and regularity of ERG programs that help foster strong internal networks, personal connection, and positive work relations.
 - c. Ensure a supportive environment and Equal Opportunity for individuals with disabilities by developing and providing ongoing training for supervisors and managers to heighten awareness of the Reasonable Accommodation process.
 - d. Identify, assess and apply workplace and personnel policies and practices that support flexibility and work/life balance to help drive individual and team performance.
 - e. Ensure effective ethics and Equal Opportunity policies and procedures, clear mechanisms for reporting concerns, easy-to-access guidance, and fair and consistent interventions and inquiries, when warranted.

Strategy 2.3: Recognize Employee Contributions to the Success of the Organization

As employees we are more engaged when we feel we will be recognized for contributing to the success of the organization, when our jobs allows the use of our individual strengths, and when we find our jobs interesting and challenging.

- Tactic: 2.3.1 Build a District-wide culture of recognition by promoting methods and regular programs that recognize employees at all levels for their role in the success of the organization.
- a. Promote broad participation in District recognition programs including “On-the Spot” Awards, Annual Employee Recognition Awards, Annual Service Awards, Quarterly Great Talent Developer Award, and Annual Exemplary Employee Program.
- Tactic: 2.3.2 Evaluate and adapt recognition methods and programs to identify ways to ensure their positive impact and effectiveness on organizational performance.

For 2015-19, to achieve Goal 2 the following strategies and tactics have been identified for the other three engagement drivers: connecting employees to our mission and goals, satisfaction with supervisors/managers, and team effectiveness.

Strategy 2.4: Maintain Satisfaction with Supervisor/Manager

As employees, we are more likely to be fully engaged when we feel trusted and respected because our supervisor/manager cares about our professional development, regularly gives constructive feedback, provides and establishes 2-way communication, acknowledges our contributions, and has a amiable working relationship with us.

- Tactic: 2.4.1 Cultivate an employee/employer relationship that drives individual and team performance based on openness, mutual respect, support and acknowledgement by implementing methods, such as an open door policy, to foster open dialogue at all levels without fear of retaliation.
- a. Strengthen Unit Managers/Supervisors engagement with team members by providing timely development and regular monitoring of annual work plans that reflect clear goal setting and clear team member objectives for achieving them.
 - b. Ensure all employees have tools and opportunities to regularly reflect on and clarify their own professional goals and communicate them to supervisors/managers.
 - c. Launch a pilot program to enable MLT to use a 360-review as a coaching opportunity to gain additional insights and feedback on inclusive leadership practices.

Strategy 2.5: Sustain Connection to Mission and Alignment with Goals

As employees we are more likely to be fully engaged when we feel pride in our organization's mission/products/accomplishments, understand its organization's strategic direction, and understand our own role toward that end.

- Tactic: 2.5.1 Establish mechanisms to regularly communicate District-wide strategies to all employees:
- a. Implement an on-boarding program that orients and acclimates all new employees to the business and culture of our organization.
 - b. CEO and senior leadership will communicate across all work units (e.g. site visits, division meetings) to provide transparency about District goals and strategies and to connect employee contributions to advancing the organization's mission.

Strategy 2.6: Continue to Sustain Team Effectiveness

Employees are engaged when their teams collaborate with individuals using their own strengths, and when they have a respectful collegial relationship with their peers.

- Tactic: 2.6.1 Leadership Team will identify opportunities at the beginning of each year to engage diverse groups of employees in cross-unit collaboration to propose solutions to operational or organizational issues.
- 2.6.2 Develop ongoing opportunities for training to enhance skills to effectively lead and collaborate among diverse teams (e.g. communication and listening, meeting facilitation).

GOAL 3: Leverage and Support Strategic Community Alliances

The District's strategies for leveraging and supporting strategic community alliances are designed to connect an understanding of our customer base with improved service delivery. Goal 3 aims to engage and understand diverse community and neighborhood groups and foster innovative solutions to countywide challenges. Mutually beneficial alliances can provide important opportunities to better understand community needs and concerns, and help shape and develop effective solutions.

For 2015-19, the following strategy and tactics have been identified to achieve Goal 3:

Strategy 3.1 Engage with diverse community groups to understand community needs and help shape and support innovative solutions to countywide challenges.

- Tactic:
- 3.1.1 Develop and establish a comprehensive, multi-year Community Partners strategy to identify and sustain strategic and mutually beneficial organizational alliances that promote volunteerism and community service that enhances the delivery of District products and services through lasting, effective engagement.
 - 3.1.2 Enhance the leadership role and visibility of ERGs in establishing effective community partnerships by developing and implementing a process for ERG engagement as part of the District's Community Partners strategy.
 - 3.1.3 Identify and implement workforce development opportunities for new unit managers and emerging Employee Resource Group leaders to broaden their skills for engaging broadly with external audiences on the District's behalf, including the District's Speakers Bureau Program.
 - 3.1.4 Develop a method and implement a process to annually evaluate the effectiveness of these community partnerships.

III. Evaluating Our Progress for Continuous Improvement

To assess whether these strategies are moving us closer toward fuller employee engagement, we will annually evaluate our programs in order to adjust and adapt our implementation. We will continue to analyze data from regular workforce satisfaction surveys and workforce demographics (i.e. retention rates, vacancies, promotions, retirement rates, etc.) to determine where we need to improve or better anticipate potential changes in the work environment. Communicating our efforts to employees through the intranet, roundtable discussions, and in our bi-annual reports to the Board of Directors will not only hold us accountable to our efforts, but also will provide feedback mechanisms for staff and our Board to give us input on our programs.

In any organization, employee engagement is an ongoing effort. Engagement begins at the top with organizational trust, open communication, and shared values. While it begins with a commitment from our organization's leadership, it is a collective responsibility for each of us as individuals, across the organization.

Our previous workforce satisfaction surveys indicated that District employees are proud of the vital public services we provide to Santa Clara County. Fuller employee engagement is translating that pride into a high performing work environment that is also an enjoyable place to be.

For more information for more about the District's Diversity and Inclusion Program visit:www.valleywater.org.

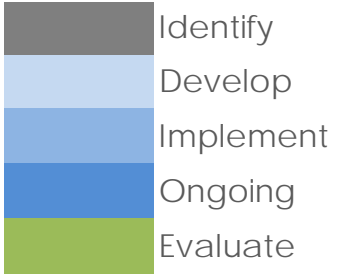
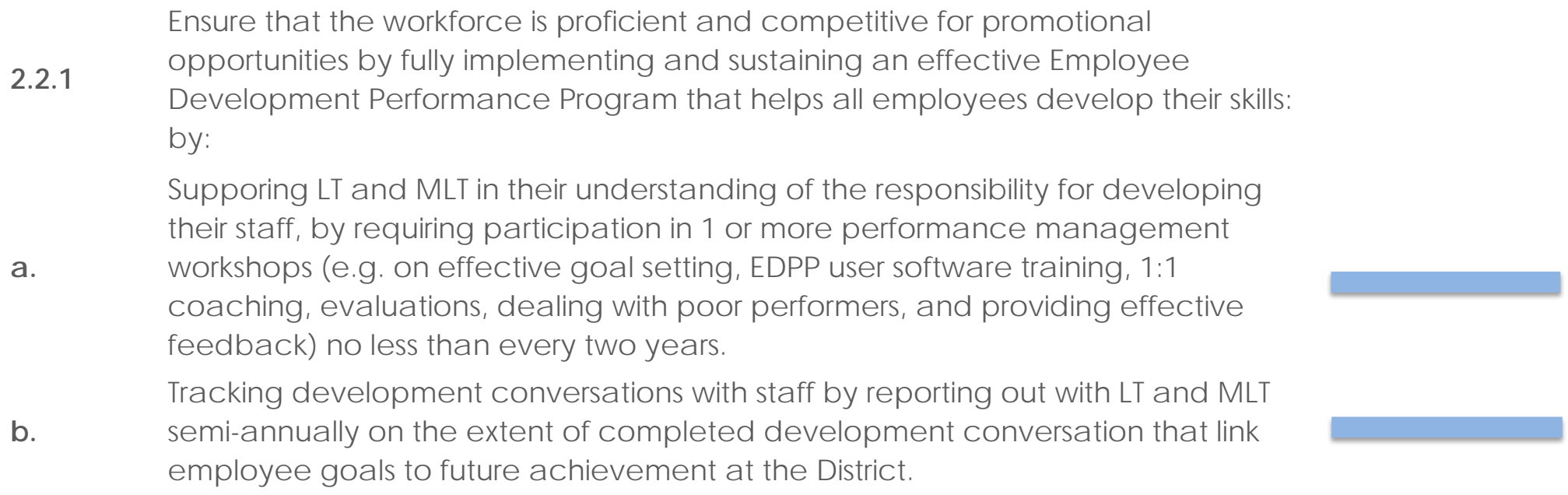
GOAL 1: Sustain and Enhance a Diverse Workforce



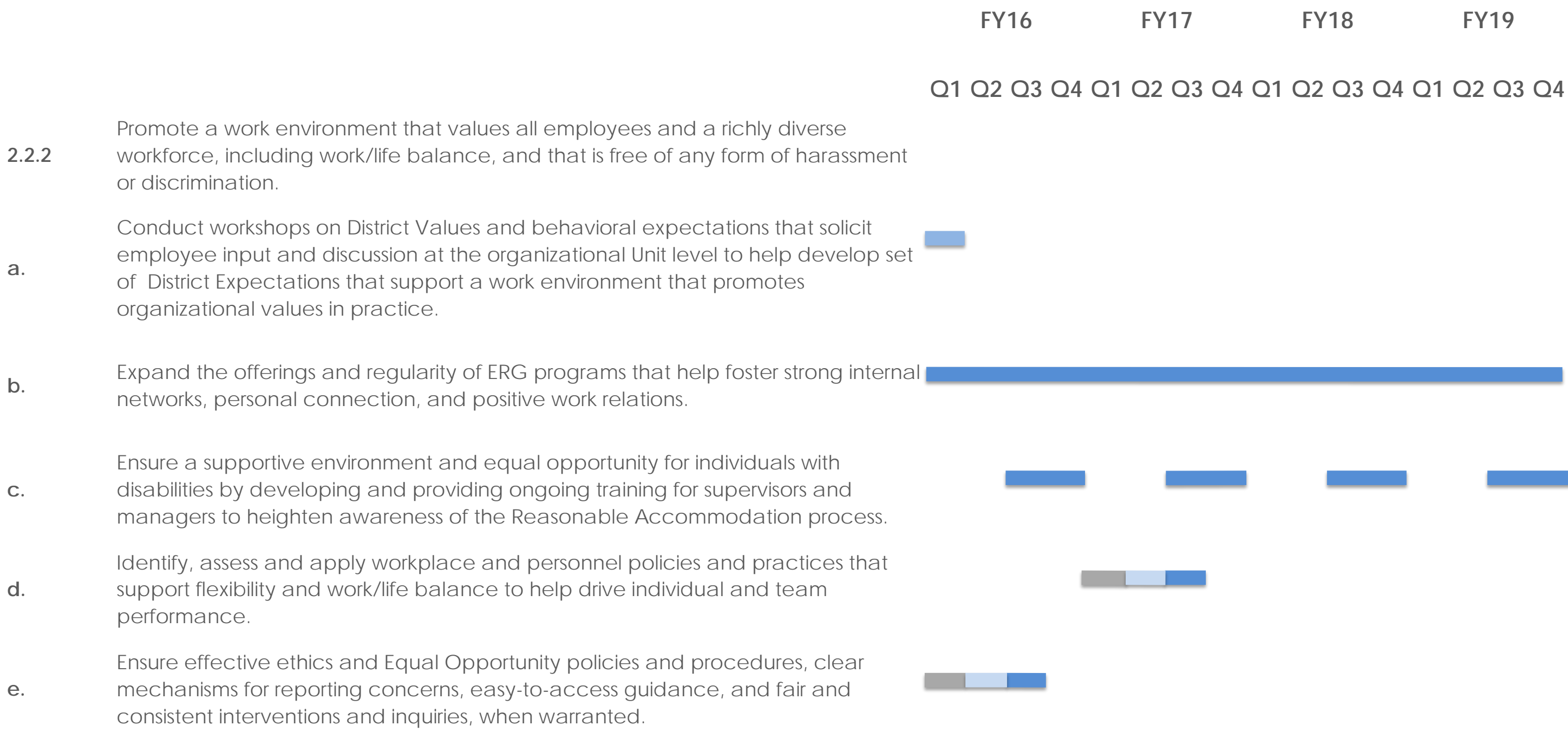
GOAL 2: Advance Workplace Inclusion & Engagement



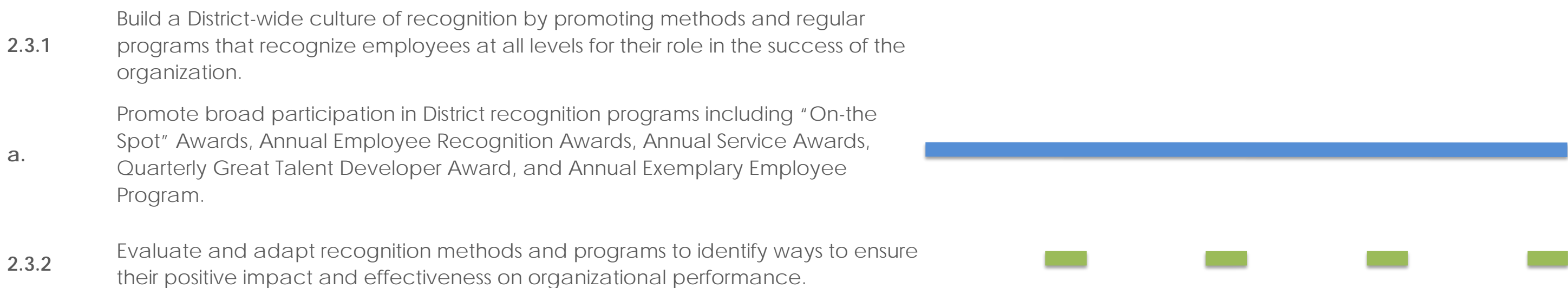
Strategy 2.2 Recognize and Promote the Value of Employees



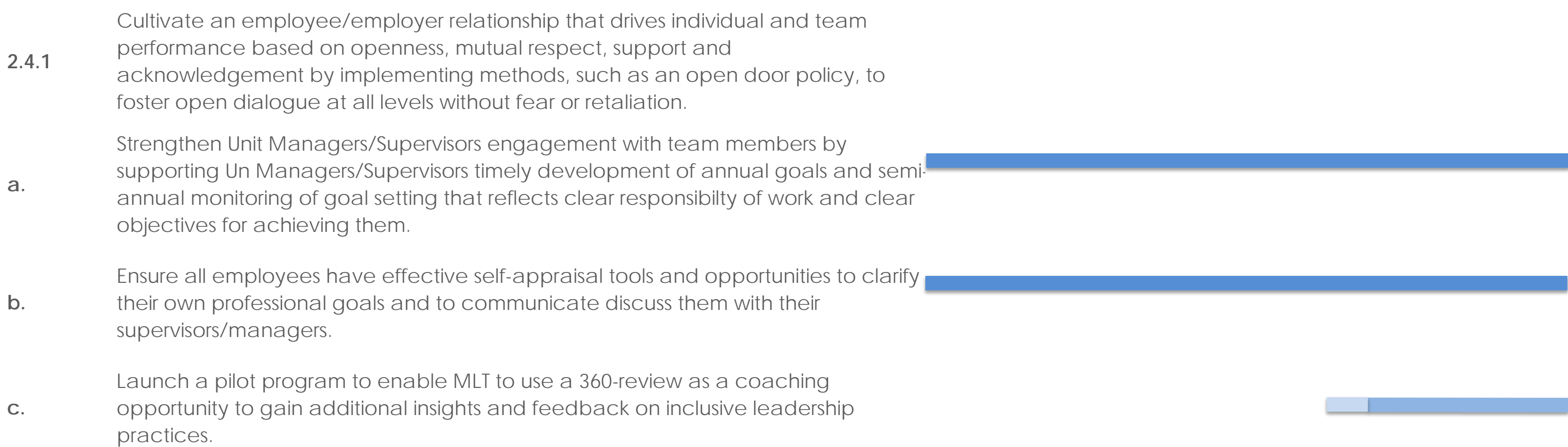
GOAL 2: Advance Workplace Inclusion & Engagement



Strategy 2.3 Recognize Employee Contributions to the Success of the Organization



Strategy 2.4 Maintain Satisfaction with Supervisor/Manager



GOAL 2: Advance Workplace Inclusion & Engagement

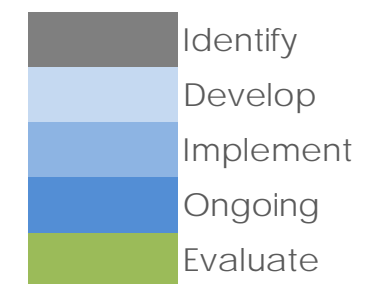
	FY16				FY17				FY18				FY19			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

Strategy 2.5 Sustain Connection to Mission and Alignment with Goals

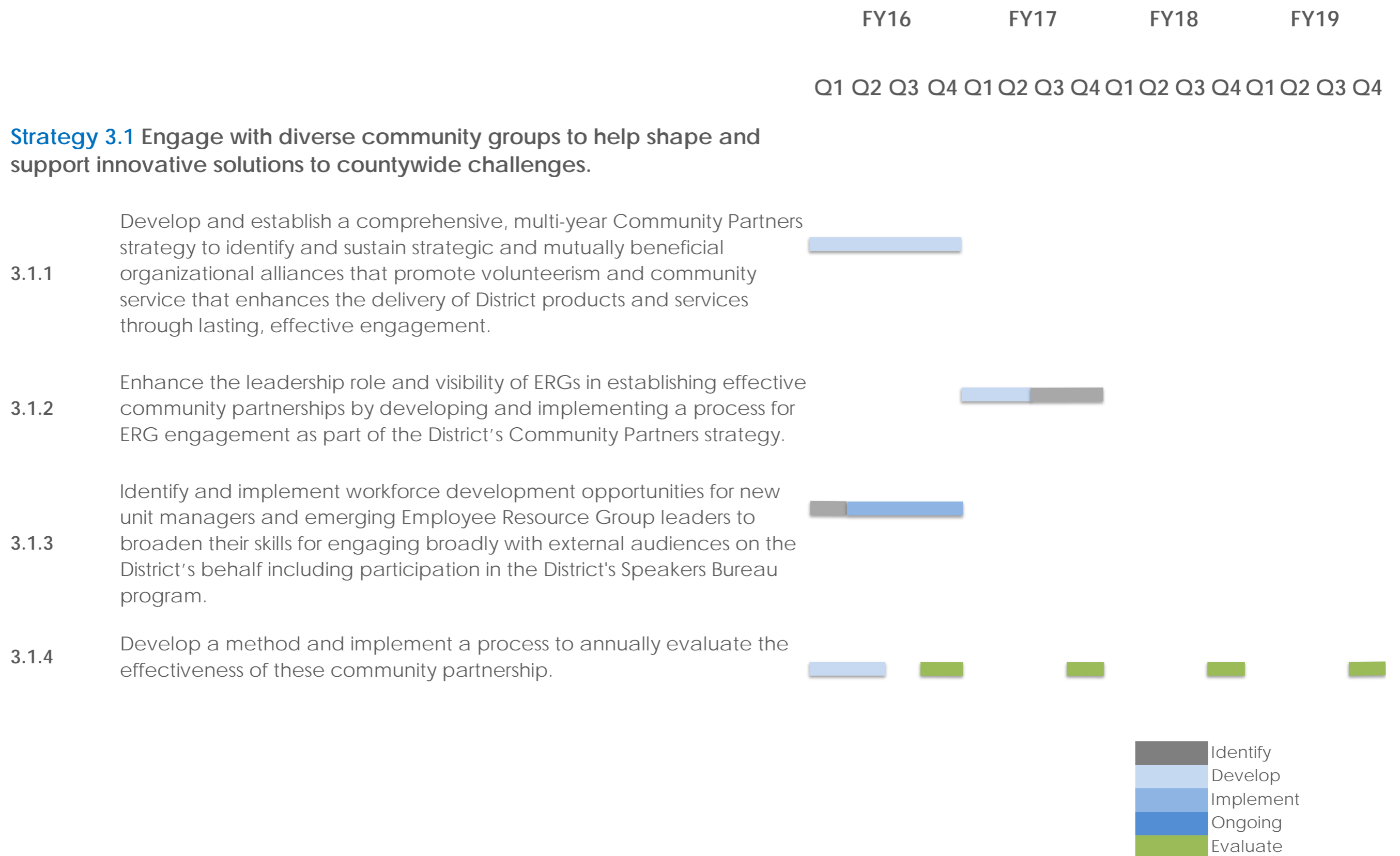
2.5.1	Establish mechanisms to regularly communicate District-wide strategies to all employees:															
a.	Implement an on-boarding program that orients and acclimates all new employees to the business and culture of our organization.															
b.	CEO and senior leadership will communicate across all work units (e.g. site visits, division meetings) to provide transparency about District goals and strategies and to connect employee contributions to advancing the organization's mission.															
c.	CEO and senior leadership will establish open office hours each week in order to solicit employee input and foster accessibility and dialogue with all levels of staff.															

Strategy 2.6 Continue to Sustain Team Effectiveness

2.6.1	Leadership Team will identify opportunities at the beginning of each year to engage diverse groups of employees in cross-unit collaboration to propose solutions to operational or organizational issues.															
2.6.2	Develop ongoing training opportunities for training to enhance skills to effectively lead and collaborate among diverse teams (e.g. communication and listening, meeting facilitation)															



GOAL 3: Leverage and Support Strategic Community Alliances



Line #	Goals, Strategies, and Tactics	Status	Comments	
1	GOAL 1: Sustain and Enhance a Diverse Workforce			
2	Strategy 1.1	Maintain a skilled and diverse workforce that is adaptable to future conditions		
3	1.1.1	Develop a comprehensive workforce development plan that presents the structure for developing the workforce.	Complete	Management 101 a 10-month program tailored to newly hired and promoted supervisors and managers in which internal subject-matter-experts teach courses on key district procedures. The Unit Manager Academy is a year-long program for middle managers to enhance their leadership and coaching skills. The Emerging Leaders Certification Program is a 12-month course designed to provide employees with the critical skills needed to be successful as supervisors. Working with the Bargaining Units, several job descriptions were revised to enhance the minimum requirements to including requiring two years of supervisory experience for management positions. In addition to the above, the District participates in the following regional employee development programs: Santa Clara County Leadership Academy, Management Talent Exchange Program, Municipal Management Association, NextGen Silicon Valley, BAYWORK, Water Career Pathway Consortium, and International City Managers Association.
4	1.1.2	Develop a long-term staff resources plan that identifies future staffing needs.	Not Started	Future Plan Development
5	1.1.3	Identify and develop District-wide competencies for core leadership functions including leading, managing and collaborating across differences.	Complete	The District's HR department has in consultation with District staff and outside consultant, identified core competencies based on the level of employee and developed training programs surrounding these competencies. The competencies are the basis of job descriptions, recruitment/selection criteria, and training programs. These competencies build upon each other. Executives will need to have all levels of competencies which include but are not limited to: Political Savvy, Developing Leaders, Executive Coaching / Transformational Programs, Creating Camaraderie, Staff Development, Conflict Management, Performance Management, and Interpersonal/Communication Skills.
6	1.1.4	Review and evaluate the District's labor utilization and disparate impact analyses and establish mechanisms for executive leadership to annually review and address areas for improvement.	Complete	The Disparate Impact Report is reviewed by Executive Leadership to identify and address any areas of improvement.
7	Strategy 1.2	Establish and strengthen relationships with diverse community groups to attract highly qualified candidates into the organization and support pipelines for future workforce		
8	1.2.1	Based on workforce labor utilization analysis, identify and conduct heightened outreach for underrepresented job classifications.	Complete	HR has increased outreach to the underserved local population. HR continues to work closely with college organizations, such as MESA and BASE at SJSU, attending their functions, STEM fairs and career fairs. By the end of this fiscal year HR will have attended over 20 career fairs, including the Silicon Valley Bilingual and Diversity Career Fair, Veteran's career fairs, college career fairs, and high school career events. We have partnered with several organizations that support underserved teens, including foster youth, MetroEd, TeenForce, Bright Futures, Strive, and Students Rising Above. We increased marketing of our summer internship program to our local college students by posting in local libraries (Alviso, Biblioteca Latinoamericana, Evergreen, Dr. Roberto Cruz Alum Rock, Edenvale, Tully), community centers and the District's ERG's have been helpful in distributing to diverse colleges (such as historically black colleges).
9	1.2.2	Incorporate diverse community groups into a District key stakeholder program to develop productive relationships that promote water resource management careers.	Complete	The District participates in the BAYWORK program which works with other water resource agencies to develop and train a pipeline into our workforce.
10	1.2.3	Support outreach to potential applicant pool to enhance interest among underserved communities by engaging District employees as mentors.	Complete	In FY18 the District partnered with SPARK, and organization that facilitates mentorship of underserved middle school students in the Bay Area. District staff mentored nearly 20 students in a 10-week long program that culminated in a "Share Your Spark" capstone project. D&I plans to continue this program annually.
11	1.2.4	Maintain the Youth Stewardship Commission that encourages sophomores and juniors to explore and pursue careers in the water industry.	Adjustment	The Youth Stewardship Committee has been replaced with a Board advisory committee called the Youth Commission. In FY18 the District received 118 applications. The Board is currently reviewing applications and they each will make 3 selections. Each student serves on the Committee for 2 years or graduation from high school, whichever comes first.
12	1.2.5	Continue to grow our water education programs in diverse communities to encourage careers in the water industry.	Complete	Staff also continues to grow the water education program maintaining a high standard of teaching quality. In FY16, the program reached 638 teachers, 581 classes and 17,057 students.
14	Strategy 1.3	Recruit and hire from a highly qualified, diverse pool of candidates		

15	1.3.1	Enhance advertisement of District employment opportunities by using a comprehensive range of media sources, educational programs, and community-based resources.	On Track	Communications and Recruiting have partnered together to share external job openings on various social media platforms including the district's Facebook and LinkedIn pages. Additionally, the D&I Program encourages ERG leaders and other stakeholders to also post job openings on their social media pages. The District has increased its participation in career fairs, especially with colleges, STEM fairs and events, trade organizations and diverse professional organizations (i.e. La Raza, NAACP and Veterans organizations). HR worked with staff from the Office of Government Relations, Communications Office and D&I to discuss the development of an ongoing partnerships to establish a more diverse and inclusive outreach effort within the communities the District serves. Staff reviewed both the 2018 OGR Community Events List and the Water Supply Planning & Conservation Unit FY 2018 Events Calendar to determine the type of event, location, and past attendance.
16	1.3.2	Fully implement the revised recruitment and selection policy to ensure the District's hiring process incorporates generally recognized best practices including a hiring process premised on objectivity and fairness.	Complete	A new recruiting process was implemented in accordance with industry best practices. The new recruitment and selection process implemented 7/1/15 balances and meets stakeholder needs while incorporating best practices in the recruitment industry. Improvements included simpler forms, fewer reviews and approvals, enhanced supplemental questions, addition of testing in recruitments, and including members from outside of the hiring division on the interview panels. Workshops and coaching for staff development helps employees better prepare and be successful in advancing their careers. At the end of the recruitment, internal candidates who participated in interviews are provided feedback on how they can improve their chances. Similarly, hiring managers have received training on the overall hiring process, developing screening criteria, coaching employees, etc.
17	1.3.3	Enhance employee awareness of District polices and processes for fair and consistent recruitment and hiring practices, by continuing to provide hiring workshops and resources for managers and employees.	Complete	HR provides three primary training workshops on the District's hiring process. 1. Hiring Process for Employees: Covers the guiding principles of the hiring process, getting the most from the Job Posting, filling out the job application, answering the supplemental questions, and effective interviewing skills to help prepare for the panel interview. 2. Recruitment and Selection Process for Managers: Covers the guiding principles of the hiring process, how to help employees prepare for promotional opportunities, and covers each step of the process and how to design an effective recruitment. This includes planning with the Recruiter, documenting key decisions on the recruitment worksheet, writing the job posting, developing the ideal characteristics, writing supplemental questions and screening applications. 3. Internship Mentor Training: Overview of the District's Summer Internship Program, what to expect from being a mentor, what to expect from the Interns, the duties and responsibilities of a mentor, Learning Development Plan & Evaluation and participation in intern events.
18	1.3.4	Partner with the educational systems and professional associations, to support pathways for sourcing the District's future workforce.	Complete	The District's recruitment team and D&I participate in career fairs and related events throughout the year. In FY 18, a total of 20 career fairs are scheduled for attendance.
19	1.3.5	Implement a competitive, flourishing intern program that facilitates hiring of entry level staff contingent on graduation.	Complete	The District has made a commitment to create a pipeline for public sector jobs in general and for District jobs in particular. The District has demonstrated its commitment with various internship programs for high school and college levels. The District recently developed a fellowship program with 4 recent college graduates for a 2 year program at the District. In addition, this summer, forty-five (45) college students and nine-teen (19) high school students will participate in the District's 12-week Summer Internship Program. The high school students are from organizations that support underrepresented areas including MetroEd, Foster Youth, Bright Futures and Strive.
20	1.3.6	Develop an apprenticeship program that focuses on underrepresented job classes.	On Track	The Skilled Trades Internship Program has up to eight (8) rotational internship opportunities to start by the end of FY18 will include responsibilities for interns at four facilities: Silicon Valley Advanced Water Purification Center, Rinconada Water Treatment Plant, Santa Teresa Water Treatment Plant, and Penetencia Water Treatment Plant. Interns will rotate quarterly based on assessed readiness. The interns will shadow maintenance personnel at each plant and meet with seniors from each craft: control systems, plant maintenance, and electrical systems. At the end of the first year of internship, supervisor evaluations will determine whether each intern will move on to the second year. These internships were posted in March 2018 and are reserved for students from Gavilan College's Water Resources Management Program.
21	GOAL 2: Advance Workplace Inclusion & Engagement			
22	Strategy 2.1	Strengthen Trust in Senior Leaders		
23	2.1.1	Within the next fiscal year, senior leaders will develop a shared understanding of the value of trust and its relationship to inclusive leadership practices in a high-performing organization.	Complete	Even before being appointed, the CEO made improving trust throughout the District a major focus area. To that end, she has increased the amount of communication with employees, provided more information regarding Board priorities, deliberations by the Districts leaders, and making herself accessible to employees. In addition, the CEO initiated the Leading with the Speed of Trust program. The entire management team is participating in the program that is designed to enhance communication and trust.

24	2.1.1a	The Leadership Team (LT) will provide multiple avenues for employee input on ways to improve trust levels across the organization.	Complete	The CEO maintains an email link for all employees to email her, an anonymous input box, and weekly CEO office hours.
25	2.1.1b	The LT will develop a facilitated LT workshop(s) on the link between trust, inclusion, and employee engagement to identify and develop division-specific strategies for improving and sustaining trust.	Complete	"Leading at the Speed of Trust" workshop was held for LT and Managers in August and September 2017. This globally recognized leadership training and management course improves leadership skills and inspires organizational culture change. The course teaches managers and leaders pragmatic, practical, and actionable skills that can be implemented immediately regardless of their role in the organization. The instruction, discussion, and tools provided in this workshop will enhance the vision of leaders who return to their organization with a new language and behavior to lead in a way that inspires trust in all facets of life. A follow-up joint Speed of Trust training will be held in May 2018 with scheduled ongoing joint sessions.
26	2.1.1c	The LT will develop and implement an action plan to promote inclusive leadership practices within their division.	Future plan development	
27	2.1.2	Demonstrate senior leader commitment to strengthening engagement throughout the organization.	Complete	In FY18, the District included in all employee workplans a Diversity & Inclusion talent goal that will encourage employees to participate in employee recognition and ERG events among other things.
28	2.1.2a	Beginning in FY16, LT members will identify as part of their annual performance goals one or more methods for advancing the District's strategies for inclusion and engagement each year.	Complete	See Tactic 2.1.2 above.
29	2.1.2b	LT members will commit to serving as an ERG ally/resource every other year to broaden leadership support and promote success of ERG efforts.	On Track	Of the 27 LT members, 11 currently serve as executive sponsors. Many Executive Sponsors and ERGs have had the same sponsors for multiple years. If an ERG requires a new sponsor, they are provided with a list of LT members who do not currently sponsor an ERG.
30	2.1.3	Support ongoing strengthening of knowledge, skills, and abilities for leading inclusively.	On Track	Executive coaching will be introduced in FY 19 to all LT. Benefits of 1:1 executive coaching includes enhanced communication and conflict resolution skills, self awareness, increasing team engagement and overall division productivity.
31	2.1.3a	All new managers/supervisors and emerging leaders at the District, including ERG leaders, will participate in a leadership course focused on leading across differences within their first year.	Complete	In FY18, for the first time, ERG Leaders participated in a tailored training on leading without authority and staying motivated while volunteering. The MLT and Supervisors were trained in "Managing Difficult Conversations" in the Summer of 2017. Training is also offered to Managers/Supervisors including Meyers Briggs Getting Along with Different Personality Types, Progressing from Buddy to Boss, FanklinCovey "7 Habits of Highly Effective People", InsideOut Coaching. In addition, the employees who participated in the Emerging Leaders Certification Program participated in approximately 150 hours of leadership training, which includes key courses such as Emotional Intelligence, Developing and Promoting Others, Performance Management, Advanced Communication Techniques, etc.
32	2.1.3b	As part of their ongoing professional development plans, LT and Management Leadership Team (MLT) will identify one or more training opportunities on leading across differences no less than every three years.	Complete	As part of the Annual Goal Setting Process, training opportunities are required. This allows for a collaborative conversation between the manager and the deputy officer to identify training needs on an annual basis. Staff is evaluated every six months on their progress.
33	2.1.3c	Develop and launch a pilot program to enable LT to use a 360-review as a coaching opportunity to gain additional insights and feedback on inclusive leadership practices.	Future plan development	Developing the 360 performance evaluation for LT will be implemented in FY 19.
34	Strategy 2.2	Recognize and Promote the Value of Employees		
35	2.2.1	Ensure that the workforce is proficient and competitive for promotional opportunities by fully implementing and sustaining an effective Employee Development Performance Program that helps all employees develop their skills.	Complete	The District's employee development and performance program (EDPP) is fully developed and includes talent development goals for supervisors and managers. The EDPP includes mid-year and annual evaluations for all employees.

36	2.2.1a	Supporting LT and MLT in their understanding of the responsibility for developing their staff, by requiring participation in 1 or more performance management workshops (e.g. on effective goal setting, EDPP user software training, 1:1 coaching, evaluations, dealing with poor performers, and providing effective feedback) no less than every two years.	Complete	The District EDPP provides feedback to employees which is valuable to their professional growth. The program incorporates employee self-evaluation and requires each employee to create Development Goals in consultation with their managers. An emphasis was made for management staff to enhance their coaching skills while developing staff. Talent management goals are required of all managers with measures to identify success. Furthermore, performance evaluations have been modified with the goal of having developmental discussions rather than strictly referring to historical work status. Additionally, coaching programs have been refined and thus have resulted in an increase in the number of trained coaches accessible to all employees for staff development and knowledge management. This program is relatively new and is expected to be critical for employee development. For the Leadership Team and Management Leadership Team to understand their responsibility for developing staff, training sessions on the mid-year and annual evaluation process are offered on a regular basis. For the FY2017 Annual Evaluation and FY2018 Goal Setting Processes, on-demand webinar videos were developed allowing staff to obtain training at their convenience from their workstation. In addition, detailed job-aids were created for employees and managers on the Automated Talent Management System to assist managers and supervisors support employee development goals.
37	2.2.1b	Tracking development conversations with staff by reporting out with LT and MLT semi-annually on the extent of completed development conversation that link employee goals to future achievement at the District.	On Track	As part of the Annual Performance Evaluation, all managers are required to have a Talent Management Goal. This goal demonstrates commitment to develop of staff by having at least one development conversation per year with each direct report, creating an Individual Development Plan (IDP) with each employee and encouraging participation in Cultivate/Succession Development programs and other training opportunities. Managers are evaluated on their role in supporting this goal every six months. HR will start reporting out the results of this goal in FY 18.
38	2.2.2	Promote a work environment that values all employees and a richly diverse workforce, including work/life balance, and that is free of any form of harassment or discrimination.	Complete	ERG events and programs celebrate diversity, for example, the Parents Advisory Network focuses on work/life balance and Ability Awareness focuses on ensuring people with disabilities have the proper resources they need. The District has an EEO program to address any potential or alleged discrimination and harassment.
39	2.2.2a	Conduct workshops on District Values and behavioral expectations that solicit employee input and discussion at the organizational Unit level to help develop set of District Expectations that support a work environment that promotes organizational values in practice.	Future plan development	
40	2.2.2b	Expand the offerings and regularity of ERG programs that help foster strong internal networks, personal connection, and positive work relations.	Complete	ERGs have become more active than ever, with 30 events for all District staff held in 2017 and are on track to do the same or more in 2018.
41	2.2.2c	Ensure a supportive environment and equal opportunity for individuals with disabilities by developing and providing ongoing training for supervisors and managers to heighten awareness of the Reasonable Accommodation process.	Complete	Management Leadership Team had a presentation on Reasonable Accommodations in 2015 and there is a plan to roll out further training in June 2018.
42	2.2.2d	Identify, assess and apply workplace and personnel policies and practices that support flexibility and work/life balance to help drive individual and team performance.	Complete	8-9-8 schedules and potential telecommuting based on Employee Workplace Study.
43	2.2.2e	Ensure effective ethics and equal opportunity policies and procedures, clear mechanisms for reporting concerns, easy-to-access guidance, and fair and consistent interventions and inquiries, when warranted.	Complete	Ethics and Equal Opportunity have clear guidelines on how to file complaints on the District's internal website.
44	Strategy 2.3	Recognize Employee Contributions to the Success of the Organization		
45	2.3.1	Build a District-wide culture of recognition by promoting methods and regular programs that recognize employees at all levels for their role in the success of the organization.	Complete	The District has a robust Employee Recognition Program that consists of an annual peer-to-peer nomination program, FLOW (previously On-The-Spot), Service Awards, and Great Talent Developer Award.
46	2.3.1a	Promote broad participation in District recognition programs including "On-the-Spot" Awards, Annual Employee Recognition Awards, Annual Service Awards, Quarterly Great Talent Developer Award, and Annual Exemplary Employee Program.	Complete	Marketing of Employee Recognition Program occurs periodically. Employees are well aware of the various avenues for recognition.
47	2.3.2	Evaluate and adapt recognition methods and programs to identify ways to ensure their positive impact and effectiveness on organizational performance.	Complete	The Employee Recognition Program metrics are reviewed periodically to ensure usage and effectiveness.

48	Strategy 2.4	Maintain Satisfaction with Supervisor/Manager		
49	2.4.1	Cultivate an employee/employer relationship that drives individual and team performance based on openness, mutual respect, support and acknowledgement by implementing methods, such as an open door policy, to foster open dialogue at all levels without fear or retaliation.	Complete	The District has taken several measures to enhance communication, trust, mutual understanding, mutual respect, and openness. For example, managers are encouraged to make themselves available to employees (the CEO leads by example and actually schedules time on her calendar to meet with employees), and improve communication with all levels of the organization. Managers have been provided with training on a number of subject areas designed to improve internal cohesion and communication. For example, "Leading at the Speed of Trust" that provides for leadership techniques on self trust, relationship trust, organizational trust, high trust behaviors which includes demonstrating respect, create transparency, show loyalty, listen first and extend trust.
50	2.4.1a	Strengthen unit manager's/supervisor's engagement with team members by providing timely development and regular monitoring of annual work plans that reflect clear goal setting and clear team member objectives for achieving them.	Complete	Regular monitoring and development of annual work plans continue. Employees have the opportunity to provide a self appraisal through the Automated Talented Management System prior to meeting with their managers to discuss their goals. Employees are also given the opportunity to indicate whether they have had the opportunity to reflect and clarify their own professional goals.
51	2.4.1b	Ensure all employees have tools and opportunities to regularly reflect and clarify their own professional goals and to communicate them to supervisors/managers.	Complete	All employees are encouraged to complete a performance self-assessment every six months as part of the Performance Evaluation process. This allows employees to communicate their career aspirations, identify trainings needed to fulfill their goals, and how their manager can support them in achieving their goals.
52	2.4.1c	Launch a pilot program to enable MLT to use a 360-review as a coaching opportunity to gain additional insights and feedback on inclusive leadership practices.	Future plan development	
53	Strategy 2.5	Sustain Connection to Mission and Alignment with Goals		
54	2.5.1	Establish mechanisms to regularly communicate District-wide strategies to all employees.	Complete	All Employee Meeting has been revived after a 3 year hiatus. Also, CEO corner on internal website is regularly updated with notes from Board, MLT, and Chiefs meetings.
55	2.5.1a	Implement an on-boarding program that orients and acclimates all new employees to the business and culture of our organization.	Complete	To orient and acclimate new employees to the business and culture of the District, an on-boarding program has been implemented. The purpose of the New Hire Buddy Program is to help welcome New Hires and reaffirm their decision to join the District. The program provides New Hires with a reliable, motivated, single point-of-contact for their basic questions regarding their work experience at the District. It also helps establish orientation as a process, rather than a single-day learning event.
56	2.5.1b	CEO and senior leadership will communicate across all work units (e.g. site visits, division meetings) to provide transparency about District goals and strategies and to connect employee contributions to advancing the organization's mission.	Complete	See Strategy 2.5.1 above.
57	2.5.1c	CEO and senior leadership will establish open office hours each week in order to solicit employee input and foster accessibility and dialogue with all levels of staff.	Complete	See Strategy 2.5.1 above.
58	Strategy 2.6	Continue to Sustain Team Effectiveness		
59	2.6.1	LT will identify opportunities at the beginning of each year to engage diverse groups of employees in cross-unit collaboration to propose solutions to operational or organizational issues.	Complete	The first Emerging Leaders Program culminated in cross-functional team projects that included: (1) Transition of Capital Projects to Water Utility Operations; (2) Culture Innovation Lab; (3) Infrastructure Reliability Project – Water Wheeling Study; and (4) THIRA – Threat Hazard Identification and Risk Assessment projects. This year's Emerging Leader Capstone Projects include: (1) Joint Emergency Action Plans - Hot Spot Cities; (2) Capital Projects Timeline Accuracy Review; (3) D&I Program Master Plan; and (4) Business Efficiency Improvement Plan.
60	2.6.2	Develop ongoing training opportunities for training to enhance skills to effectively lead and collaborate among diverse teams (e.g. communication and listening, meeting facilitation).	Complete	Workforce Development provides various training opportunities on emotional intelligence and soft skills.
61	GOAL 3: Leverage and Support Strategic Community Alliances			

62	Strategy 3.1	Engage with diverse community groups to help shape and support innovative solutions to countywide challenges		
63	3.1.1	Develop and establish a comprehensive, multi-year community partners strategy to identify and sustain strategic and mutually beneficial organizational alliances that promote volunteerism and community service that enhances the delivery of District products and services through lasting, effective engagement.	Complete	D&I reaches out periodically to community partners regarding job opportunities at the District and hosting community meetings at the District's facilities. The District also maintains a robust volunteer, civic engagement program, and community partnering sponsorship program.
64	3.2.2	Enhance the leadership role and visibility of ERGs in establishing effective community partnerships by developing and implementing a process for ERG engagement as part of the District's community partners strategy.	Complete	ERG Leaders are collaborating on the creation of a volunteering committee to focus the ERGs' collective volunteering efforts.
65	3.1.3	Identify and implement workforce development opportunities for new unit managers and emerging ERG leaders to broaden their skills for engaging broadly with external audiences on the District's behalf including participation in the District's Speakers Bureau Program.	Complete	The Speakers Bureau is active at the District with participation from mostly Board members. In 2018, the District has sent speakers to Alma and Goodyear Mastic neighborhood associations and West San Jose Kiwanis.
66	3.1.4	Develop a method and implement a process to annually evaluate the effectiveness of these community partnership.	Complete	Each year, the District conducts a blind annual survey of the activities which external groups find most valuable. The Community partnerships and sponsorships activities are consistently rated highly.



Committee:	Diversity and Inclusion
Meeting Date:	04/23/18
Agenda Item No.:	4.4
Unclassified Manager:	Anil Comelo
Email:	acomelo@valleywater.org
Est. Staff Time:	10 minutes

COMMITTEE AGENDA MEMO

SUBJECT: Identify Focus Areas and Timeline

RECOMMENDED ACTION:

Begin discussion on potential focus areas and timelines for the Committee.

SUMMARY:

The Committee will discuss focus areas for the future of the Diversity and Inclusion Program. The discussion will include timelines for milestones that the Committee will reach.

ATTACHMENT(S):

None.



Committee:	Diversity and Inclusion
Meeting Date:	04/23/18
Agenda Item No.:	4.5
Unclassified Manager:	Anil Comelo
Email:	acomelo@valleywater.org
Est. Staff Time:	10 minutes

COMMITTEE AGENDA MEMO

SUBJECT: Next Meeting Schedule and Next Steps

RECOMMENDED ACTION:

Discuss and confirm next meeting date and tentative agenda items.

SUMMARY:

The Committee will discuss and confirm next meeting date and tentative agenda items.

ATTACHMENT(S):

None.

