

Diversity and Inclusion

STRATEGIC PLAN

FISCAL YEARS 2020-2022

U.S. SECURITIES AND EXCHANGE COMMISSION

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Our continued commitment to promoting diversity, inclusion, and equal opportunity is critical to allowing the Commission to attract and retain talent with the mix of skills and expertise needed to maximize our effectiveness.



MESSAGE FROM THE CHAIRMAN



The U.S. Securities and Exchange Commission depends on an effective, highly skilled workforce to carry out its mission—protecting investors; maintaining fair, orderly, and efficient securities markets; and facilitating capital formation. Our continued commitment to promoting diversity, inclusion, and equal opportunity is critical to allowing the Commission to attract and retain talent with the mix of skills and expertise needed to maximize our effectiveness. In addition, leveraging diversity and inclusion throughout the agency helps ensure the Commission’s regulatory programs and guidance reflect the diversity of the investors and businesses who depend on our work.

Put simply, in order to perform at the highest level, we need to ensure that our work and our workforce reflect a diversity of thoughts, backgrounds, and experiences.

I am pleased to present the SEC’s first Diversity and Inclusion Strategic Plan. This Plan, which was developed with input from staff throughout the Commission, outlines our goals and strategies for continuing to build a workforce that will deliver on our mission and fulfill our obligations to the investing public. The Plan also recognizes that diversity, inclusion, and opportunity should be reflected in the outward-facing aspects of the Commission’s work, including through ensuring that our education and outreach efforts adequately encompass underserved communities. Importantly, the Plan sets measurable goals for Fiscal Years 2020–2022 upon which we can evaluate our progress.

I have said on many occasions that the Commission’s greatest asset is its workforce. Implementing the Diversity and Inclusion Strategic Plan will help further our broader goals of increasing our capabilities; leveraging our shared commitment to investors; and promoting diversity, inclusion, and equality of opportunity among the Commission’s staff. Each of us is responsible for ensuring the success of this Plan, and I look forward to working with my colleagues at the Commission to achieve these important objectives.

INTRODUCTION

At the U.S. Securities and Exchange Commission (SEC), we recognize that our people are our most important asset. We also recognize that diversity, inclusion, and opportunity are essential to the agency's ability to effectively carry out its mission. These fundamental and value-enhancing tenets of our mission-oriented culture dictate that we continuously work to attract, hire, develop, and retain high-quality, diverse talent. Doing so allows us to build and maintain a workforce that reflects a diversity of backgrounds and experiences, as well as the diversity of investors and market participants we serve. We also must strive to cultivate an inclusive work environment in which all employees are meaningfully engaged and have the opportunity to develop and succeed. Similarly, beyond our workforce, we are committed to promoting diversity and inclusion in the SEC's supplier network and in the industry participants the agency oversees.

The SEC developed this Diversity and Inclusion Strategic Plan (Plan) for Fiscal Years 2020–2022 to provide a blueprint to build upon. We aim to continue making progress toward promoting workforce diversity, inclusion, and opportunity, as well as supplier diversity, in light of the dynamic and ever-changing nature of the markets we oversee. These dynamics include shifting demographics and emerging technologies that affect the way we work and interact.

This Plan includes measurable actions that are designed to help fully integrate diversity, inclusion, and opportunity in the strategic decision-making of the agency, enhance organizational effectiveness, and meet future challenges. This Plan envisions that SEC leadership, managers, and supervisors in all divisions and offices will assume direct responsibility for its implementation, recognizing that promoting diversity and inclusion and ensuring opportunity are both an individual and a collective responsibility and should be a prominent part of the fabric and culture of the agency.

DEFINING DIVERSITY AND INCLUSION

Diversity is defined broadly and refers to the range of similarities and differences in individual and organizational characteristics that shape our workplace. These include national origin, language, race, color, disability, ethnicity, gender, age, religion, sexual orientation, gender identity, socioeconomic status, veteran status, and family structure. The concept also encompasses other differences among people, including geographic differences and, importantly, diversity of thought and life experiences.

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

THE MISSION CASE FOR DIVERSITY AND INCLUSION

There is strong support for the conclusion that diversity in both leadership and the workforce is essential for maximizing mission effectiveness and impact. Research demonstrates that organizations with a diverse workforce, especially within the senior management ranks, outperform their peers over time.¹ Diverse organizations have proven to be more capable than their counterparts in attracting top talent, developing stronger relationships with customers and stakeholders, improving decision-making and innovation, and increasing employee engagement and satisfaction. Incorporating a diversity of thought and perspectives into an organization's approach to solving problems and furthering its mission helps that organization achieve better outcomes.

In addition to these diversity-driven advantages in performance, federal law directs all federal agencies to seek to achieve a workforce drawn from all segments of society, to ensure equal employment opportunity, and to integrate diversity and inclusion as a key component of their human resources strategies.² Federal law specifically requires federal financial regulatory agencies, including the SEC, to develop standards for workforce diversity, and to take specific affirmative steps to seek diversity at all levels of the agency's workforce in a manner consistent with applicable law.³

Diversity alone, however, is not sufficient to achieve these performance advantages. The power of diversity is greatly amplified in organizations that value differences and cultivate and empower diversity of thought within the organization. A culture of inclusion is not only essential to equitable and fair practices, but, when coupled with diversity, inclusion enhances mission effectiveness and innovation. A substantial body of research, and our own organizational history, strongly supports the notion that a tangible, continuous commitment to diversity and inclusion, and human capital development more generally, creates organizations that are more resilient and effective at achieving their missions than organizations that do not invest in, and address, their people and culture.

For these reasons, the SEC has embraced diversity and inclusion as both a matter of legal compliance and as a mission imperative. Continuing, deepening, and expanding our commitment to diversity and inclusion will assist the agency in maintaining the highest standards of excellence in pursuit of its mission on behalf of investors and market participants.

GOALS OF THIS DIVERSITY AND INCLUSION STRATEGIC PLAN

This Plan sets forth five overarching goals in support of diversity and inclusion:



GOAL 1: Demonstrate leadership commitment and accountability

Demonstrate leadership commitment and accountability through agency policy, messaging, and behavior that advances diversity and inclusion goals and objectives. (SEC 2018–2022 Strategic Plan Goal 3.1)



GOAL 2: Foster a connected culture

Cultivate a supportive, welcoming, inclusive, and fair work environment that allows employees to feel connected to the agency’s mission and contribute to their full potential. (SEC 2018–2022 Strategic Plan Goals 3.1, 3.5)



GOAL 3: Build a diverse talent pipeline

Pursue a comprehensive strategy to build and maintain a high-performing workforce drawn from all segments of American society. (SEC 2018–2022 Strategic Plan Goal 3.1)



GOAL 4: Leverage diversity and inclusion for mission effectiveness

Use SEC resources and services in a manner that reflects diversity of investors and businesses. (SEC 2018–2022 Strategic Plan Goals 1.1, 1.2, 1.3, 1.4, 2.2)



GOAL 5: Promote business diversity with SEC stakeholders

Advance diversity and inclusion in the SEC supplier base and with entities regulated by the SEC. (SEC 2018–2022 Strategic Plan Goals 1.4, 2.4, 3.2, 3.4)

These five goals are designed to support the three major goals described in the overall [SEC Strategic Plan for Fiscal Years 2018–2022](#):

SEC Goal 1: Focus on the long-term interests of our Main Street investors.

SEC Goal 2: Recognize significant developments and trends in our evolving capital markets and adjust our efforts to ensure we are effectively allocating our resources.

SEC Goal 3: Elevate the SEC’s performance by enhancing our analytical capabilities and human capital development.



SEC DIVERSITY AND INCLUSION GOALS

GOAL 1: Demonstrate leadership commitment and accountability

Demonstrate leadership commitment and accountability through agency policy, messaging, and behavior that advances diversity and inclusion goals and objectives. (SEC 2018–2022 Strategic Plan Goal 3.1)

1a. Strategic Planning	Maintain a strategic plan that aligns diversity and inclusion efforts with SEC strategic goals and objectives.
1b. Communication Strategy	<p>Create and implement a communications strategy that further elevates diversity and inclusion as a key strategic priority and reinforces leadership commitment.</p> <p>Develop additional investor outreach content and engagement initiatives specifically for diverse audiences, including traditionally underserved communities.</p>
1c. Accountability	<p>Clarify—through outreach by Office of Minority and Women Inclusion (OMWI), Office of Human Resources (OHR), and Office of Equal Employment Opportunity (OEEO)—existing diversity and inclusion expectations for Senior Officers, managers, and supervisors, including how diversity and inclusion performance impacts evaluation results.</p> <p>Explore the feasibility of division- and office-level diversity and inclusion performance metrics to promote accountability and best practices.</p>
1d. Transparency	Raise awareness by including information about diversity and inclusion on the SEC’s external website, and maintaining a Diversity Dashboard and other tools to provide updated diversity data to Senior Officers and SEC employees.



GOAL 2: Foster a connected culture

Cultivate a supportive, welcoming, inclusive, and fair work environment that allows employees to feel connected to the agency’s mission and contribute to their full potential. (SEC 2018–2022 Strategic Plan Goals 3.1, 3.5)

<p>2a. Equal Employment Opportunity</p>	<p>Use quantitative and qualitative data to evaluate programs and processes and identify barriers that may deter inclusivity and opportunity for all.</p> <p>Continue to develop and implement initiatives designed to prevent discrimination, harassment, and other actions that undermine our commitment to diversity, inclusion, and equal opportunity.</p> <p>Process, resolve, and adjudicate claims of discrimination, including retaliation.</p>
<p>2b. Fair and Unbiased Selection Processes</p>	<p>Administer a fair and systematic approach for recruiting, evaluating, and selecting individuals for competitive service, excepted service, senior management, and professional development programs, including when assembling selection panels.</p>
<p>2c. Employee Engagement and Satisfaction</p>	<p>Use employee feedback, including Federal Employee Viewpoint Survey data, to create, update, and implement action plans to improve organizational culture; encourage leadership approaches that support employee engagement and belonging; and address specific employee concerns.</p>
<p>2d. Career Development and Mentorship</p>	<p>Continue to sponsor employees for external leadership development programs (e.g., Excellence in Government Fellows Program, the Women in Leadership Program, and Career Advancement Program).</p> <p>Maintain and further develop the SEC Mentoring Program to enhance opportunities for career development, and encourage collaboration among divisions and offices.</p>

<p>2e. Disability Inclusion</p>	<p>Ensure the SEC work environment is welcoming, accessible, and inclusive of individuals with disabilities; encourage support for programs and activities of the Disability Interests Advisory Committee; and support hiring and promotion of individuals with disabilities, including the use of special hiring authorities.</p> <p>Ensure SEC's programs and activities are accessible to diverse segments of the public.</p>
<p>2f. Employee Affinity Groups and Diversity Committees</p>	<p>Support participation in Employee Affinity Groups (EAGs) and Regional Office Diversity Committees, and programs and activities sponsored by EAGs and Diversity Committees; encourage attendance at programs commemorating Special Observances and heritage months; and promote engagement by and with the entire SEC community.</p>
<p>2g. Diversity and Inclusion Training</p>	<p>Provide training and education in collaboration with SECU on diversity and inclusion matters.</p> <p>Offer opportunities for agency-wide and targeted discussions (e.g., Town Hall meetings, roundtables, and small group discussions) on issues related to diversity and inclusion, such as generational diversity, unconscious bias, disability inclusion, and other critical topics.</p>

GOAL 3: Build a diverse talent pipeline

Pursue a comprehensive strategy to build and maintain a high-performing workforce drawn from all segments of American society. (SEC 2018–2022 Strategic Plan Goal 3.1)

<p>3a. Outreach and Recruitment</p>	<p>Engage in strategic outreach and broad recruitment, utilizing a variety of sources including diverse professional organizations, to maximize the agency’s ability to attract a diverse pool of applicants for employment and internship opportunities.</p> <p>Engage with colleges and universities, including women’s colleges, Historically Black Colleges and Universities, Hispanic Serving Institutions, Tribal Colleges and Universities, and other minority-serving institutions, through career fairs, networking and recruiting events.</p> <p>Conduct outreach and recruitment at job fairs and other events hosted by various organizations supportive of diverse communities, including disability advocacy groups and veterans.</p> <p>Support Regional Offices in their local outreach and recruitment activities.</p> <p>Support and leverage the SEC’s intern program as a recruiting pipeline, and follow up with students over time to gauge interest in applying to the SEC for permanent employment opportunities.</p>
<p>3b. Diversity Partnerships</p>	<p>Establish and maintain partnerships with minority, women, and other diverse professional associations to help develop and maintain a pipeline of diverse candidates for employment in professional occupations, such as attorney, accountant, examiner, economist, and information technology professional.</p>
<p>3c. Data-Driven Strategies</p>	<p>Collect and analyze applicant flow data to track and monitor employment trends and inform division and office outreach and recruitment strategies.</p> <p>Use data sources to inform outreach and recruitment strategies.</p>

<p>3d. Senior Officers and Managers</p>	<p>Establish a goal for enhancing diversity among Senior Officers using diversity metrics from other federal agencies and the private sector as benchmarks to measure progress.</p>
<p>3e. Mid-Career Professionals</p>	<p>Explore establishing development opportunities for mid-career professionals, such as a rotation program.</p> <p>Consider ways to promote diversity in SEC fellows programs in Accounting and Economics.</p>
<p>3f. Student Intern Diversity</p>	<p>Engage organizations that seek to place minority students in internships when feasible, as part of a strategy for recruiting diverse interns and encouraging their interest in careers at the SEC and in the financial services industry.</p> <p>Explore the possibility of paid internships, including, to the extent permitted by applicable law, partnering with nonprofit organizations that can provide resources, or facilitating the ability for student interns to “split” their summers with paying internships elsewhere.</p>

GOAL 4: Leverage diversity and inclusion for mission effectiveness

Use SEC resources and services in a manner that reflects diversity of investors and businesses. (SEC 2018–2022 Strategic Plan Goals 1.1, 1.2, 1.3, 1.4, 2.2)

4a. Diverse Perspectives	<p>Promote diverse participation and perspectives in all facets of the SEC's mission and in the SEC's Advisory Committees.</p> <p>Promote rules and market practices that are effective in meeting the needs of a diverse public and that promote participation in the capital markets for all Americans.</p>
4b. Connecting with Underserved Communities	<p>Ensure outreach, education, and consultation efforts extend to investors and potential investors and businesses in diverse and underserved communities.</p>
4c. Public-Facing Diversity and Inclusion	<p>Identify opportunities to embed diversity and inclusion priorities into public-facing aspects of the SEC's work. Ensure that diverse voices are represented in programming, such as agency-wide events, mission-focused training, advisory committee composition, and participation in roundtables and similar events.</p>
4d. Investment Frauds Targeting Diverse Populations	<p>Leverage the SEC's diverse workforce, Employee Affinity Groups, and regional presence to expand outreach and enforcement efforts focused on halting "affinity fraud" schemes that target minority communities, ethnic and religious communities, language minorities, and the elderly.</p>



GOAL 5: Promote business diversity with SEC stakeholders

Advance diversity and inclusion in the SEC supplier base and with entities regulated by the SEC. (SEC 2018–2022 Strategic Plan Goals 1.4, 2.4, 3.2, 3.4)

5a. Supplier Diversity	<p>Enhance the SEC website and OMWI supplier database to communicate contracting opportunities and connect with diverse suppliers.</p> <p>Promote utilization of minority-owned, women-owned, and veteran-owned businesses through sustained efforts by the Office of Acquisitions, OMWI, and program offices.</p> <p>Engage in outreach and technical assistance to promote the utilization of minority-owned, women-owned, and veteran-owned businesses in agency business activities.</p> <p>Leverage technology to support supplier Good Faith Effort reviews.</p>
5b. Regulated Entities	<p>Promote diversity and inclusion with entities regulated by the SEC by encouraging SEC-regulated entities to conduct self-assessments of their diversity policies and practices and share their self-assessments with the SEC.</p>

SEC EMPLOYEE AFFINITY GROUPS

Group
African American Council
American Indian Heritage Committee
Asian American Pacific Islander Committee
Caribbean American Heritage Committee
Disability Interests Advisory Committee
Hispanic and Latino Opportunity, Leadership, and Advocacy Committee
Lesbian, Gay, Bisexual, and Transgender Committee
Veterans Committee
Women's Committee

HOW THIS PLAN WAS DEVELOPED

Maintaining a culture that promotes diversity and inclusion requires recognizing the value of each member of our community. In developing this Diversity and Inclusion Strategic Plan, OMWI engaged with the Chairman and other Commissioners, division and office leadership, and stakeholder groups inside and outside the Commission. Importantly, OMWI held listening sessions to understand what concerns, achievements, and opportunities are most important to SEC staff throughout the Commission. OMWI held structured or informal discussions with dozens of employees from every division and office, Regional Office, Employee Affinity Group, and the Diversity Council. OMWI also held publicized open “office hours” for any SEC employee to share their views.

OMWI received input from all levels of the SEC, including non-supervisors, supervisors, more recent employees, and those with decades at the SEC. OMWI incorporated perspectives received over time from stakeholders, such as entrepreneurs and investors with whom OMWI has been in contact at public events, and suggestions and concerns offered to the SEC by minority-owned and women-owned businesses. A draft version of this Plan was made available to all SEC staff for comment prior to formulating the final Plan.

ENDNOTES

1. *See e.g.*, Vivian Hunt, Sara Prince, Sundiatu Dixon-Fyle, and Lareina Yee, “[Delivering through Diversity](#),” McKinsey & Company, January 2018; Sarah Greesonbach, [Diversity & Inclusion Research Roundup: Top Studies You Need to Know](#), Glassdoor.com, February 22, 2019; Michelle Kim, [Compilation of Diversity & Inclusion “Business Case” Research Data](#), Medium.com, March 26, 2018.
2. *See* [Civil Service Reform Act](#), 5 U.S.C. 2301(b)(1) and 2302(b); [Executive Order 11478 of August 8, 1969](#), as amended, [Equal Employment Opportunity in the Federal Government](#); and [Executive Order 13583 of August 18, 2011](#), [Establishing a Coordinated Government-wide Initiative to Promote Diversity and Inclusion in the Federal Workforce](#).
3. [Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010](#), 12 U.S.C. 5452 (b)(2)(A) and (f), requires the SEC, through the Office of Minority and Women Inclusion, to develop standards for equal employment opportunity and the racial, ethnic, and gender diversity of the workforce and senior management of the agency, and to take specific affirmative steps to seek diversity in the workforce of the agency at all levels in a manner consistent with applicable law.



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