



U.S. Small Business
Administration

Small Business Administration (SBA) Annual EEO Program Status Report

Fiscal Year
2017

Prepared by SBA
Office of Diversity, Inclusion and Civil Rights

Executive Summary

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PART E

U.S. Equal Employment Opportunity Commission

FEDERAL AGENCY ANNUAL EEO PROGRAM STATUS REPORT
For the period covering October 1, 2016 to September 30, 2017

SMALL BUSINESS ADMINISTRATION EXECUTIVE SUMMARY

AGENCY OVERVIEW

The mission of the U.S. Small Business Administration (SBA) is to aid, counsel, assist, and protect the interests of small business concerns, to preserve free competitive enterprise, and to maintain and strengthen the overall economy of our nation. We recognize that small business is critical to our economic recovery and strength, to building America's future, and to helping the United States compete in today's global marketplace. Although SBA has grown and evolved in the years since it was established in 1953, the bottom line mission remains the same. SBA helps Americans start, build, and grow businesses through an extensive network of field offices and partnerships with public and private organizations.

SBA is committed to building and sustaining a model EEO program, in accordance with the essential elements set forth in MD-715. To accomplish this, SBA will build, develop, and retain a diverse, highly qualified workforce that utilizes the talents of all employees, without regard to race, color, religion, national origin, sex, age, disability, and other protected bases.

Office of Diversity, Inclusion & Civil Rights Mission

Champion a diverse workforce and inclusive culture by ensuring equal access and equitable treatment regarding employment and entrepreneurial endeavors.

Office of Diversity, Inclusion & Civil Rights Vision

Equal Opportunity on an Equitable Basis

The Office of Diversity, Inclusion, and Civil Rights (ODI&CR) leads and manages SBA's EEO program. ODI&CR conducts workforce analysis and reporting, advises on outreach and retention programs, and provides training and communication on EEO, diversity and inclusion, and proactive conflict resolution topics. It is also responsible for the agency's EEO complaint process (counseling, acceptance, investigation, and compliance) and issues final agency decisions based upon an investigative record or final order after receiving an EEOC administrative decision. The Assistant Administrator of ODI&CR serves as the principal policy advisor to the Administrator on all EEO

matters and non-discrimination statutes, regulations, and executive orders that are relevant to SBA.

OFFICE OF DIVERSITY, INCLUSION, AND CIVIL RIGHTS ACCOMPLISHMENTS:

ODI&CR developed, launched, and analyzed SBA's first-ever Conflict Resolution Survey to understand the experiences and perspectives relating to conflict within the agency. The results of the Conflict Resolution Survey, key themes and recommendations were briefed to senior leaders and later to the workforce during a "peer-to-peer" session.

ODI&CR recruited and trained an internal cadre of collateral duty facilitators for the Conflict Resolution Center (CRC), and collateral duty EEO Counselors during FY 2017.

ODI&CR spent a considerable amount of time educating senior leaders and the workforce on the reasonable accommodation requirements of the Rehabilitation Act of 1973 which included conducting training sessions throughout the agency and meeting with senior leaders in program and support offices, to help reach "win-win" solutions for the agency and employees. In doing so, the agency's ability was significantly enhanced to better manage and utilize the talent of people with disabilities. In FY17, working with managers, HR and legal, ODI&CR managed over 150 reasonable accommodation cases.

The ODI&CR Assistant Administrator served as the "Executive Champion" for the agency's "At-Large" Presidential Management Fellows (PMF) program. Currently the PMF program is the agency's primary avenue for attracting, recruiting, developing and retaining diverse talent. In FY17, the agency successfully converted the entire 2015 PMF class (8 out of 8). This was a major accomplishment considering SBA's historically low retention rates.

ODI&CR assisted the agency's effort to attract, recruit, hire, train and retain a high-quality workforce by attracting and recruiting, 5 highly-talented PMFs, during the April 2017 OPM "Virtual" Job Fair.

ODI&CR partnered with the Office of Human Resources Solutions and re-convened the agency's Barrier Analysis Working Group (BAWG). The BAWG met quarterly. During FY17, the BAWG reviewed numerous personnel policies and regulations and developed several strategies to promote diversity and inclusion.

ODI&CR planned and conducted 5 special emphasis programs to celebrate the unique history and culture of diverse employees and increase awareness of employment and entrepreneurial matters affecting women, minorities, and persons with disabilities.

ODI&CR conducted compliance reviews, provided guidance and resources in accordance with Title VI of the Civil Rights Act for twenty-two (22) Small Business Development Centers around the nation. Reviews focused on disability access and

eliminating language and other barriers that impede the center's ability to provide services to diverse segments of society.

FY 18 AREAS OF FOCUS

SBA continues to develop and implement initiatives to build and maintain an inclusive workforce, and the Agency's Administrator has identified employee involvement as a high priority. Over the next two years, the agency has stated its commitment to investing in efforts, designed in collaboration with ODI&CR and the SBA Office of Human Resources Solutions (OHRS), to implement efficient and effective talent acquisition processes focused on recruiting high-caliber talent and maintaining a high level of employee involvement.

ODI&CR will continue to work collaboratively with OHRS to recruit and hire Individuals with Disabilities until we reach the 12% goal and exceed the 2% goal for Individuals with Targeted Disabilities.

The CRC will continue to train employees and supervisors to increase conflict management competency in the Agency, including providing conflict management training to SBA's field leadership from 68 District Offices.

The CRC will continue to identify and raise systemic issues and trends to address underlying causes of conflict impacting the organization through periodic briefings to key senior leaders.

The Agency will focus on increasing resources, including staffing, to scale the program to meet the demand for proactive conflict resolution services.

ODI&CR will continue to provide Civil Treatment training, conduct climate assessments, and facilitate management inquiries. This three-pronged approach will: 1) increase the workforce's awareness of inappropriate and prohibited personnel practices; 2) educate on appropriate behaviors required to maintain a fair, equitable, and productive, non-discriminatory work environment; and 3) promptly address allegations of discrimination.

ODI&CR will continue to analyze complaint processing data to determine and correct the root cause(s) of any lengthy processing timeframes.

Due to Administrator McMahon's mandate that all employees receive sexual harassment training during first quarter FY18, ODI&CR worked with OHRS to train all permanent/temporary employees.

Model EEO Program Assessment

SBA FY17 Summary to the Annual Equal Employment Opportunity Program Status Report outlines progress; identifies program deficiencies and barriers to achieving a model EEO program; delineates the planned actions necessary to address and/or eliminate the program deficiencies and barriers; and outlines SBA accomplishments towards addressing the program deficiencies and barriers. An analysis of SBA workforce for FY 17 is included with this report.

Management Directive 715 divides the essential elements of a model Agency EEO program into six broad categories. They include:

- Demonstrated Commitment from Agency Leadership
- Integration of EEO into the Agency's Strategic Mission
- Management and Program Accountability
- Proactive Prevention of Unlawful Discrimination
- Efficiency
- Responsive and Legal Compliance

Demonstrated Commitment from Agency Leadership

The SBA Administrator, senior leadership, and management officials are instrumental in supporting all aspects of the Agency's Diversity, Inclusion, and Civil Rights programs. Shortly after the current Administrator was installed, the EEO/Diversity and Inclusion and Anti-Harassment policy statements were updated. Administrator McMahon signed the new policy statements on April 28, 2017.

During FY17, the Assistant Administrator, ODI&CR was not a direct report to Administrator McMahon; however, he had direct access to her and has regular and effective means of informing the Administrator and senior leaders of the effectiveness, efficiency and legal compliance of the ODI&CR. He attends weekly operations meetings which includes all organizational component heads. He advises senior leadership, managers, and supervisors on improving and implementing policies and programs of non-discrimination, and workforce diversity and inclusion.

Leaders at all levels within the Agency are committed to EEO, along with fostering an inclusive work environment that values each member's unique capabilities and contribution to the agency's Mission.

Integration of EEO into the Agency's Strategic Mission

ODI&CR, in partnership with the OHRS provides continued support for Strategic Objective 4.2, Build a High-Performing Workforce as outlined in the [FY 2018-2022 SBA Strategic Plan](#). Specifically, through Strategy 1, Recruit and retain an inclusive workforce; Strategy 2, Deliver a comprehensive, mission-focused, talent development strategy to foster professional development and continuous learning, and Strategy 3, Build a high-performing culture that maximizes workforce performance and drives accountability, the agency has laid out specific steps towards achieving our strategic objective.

In addition to the Agency's Strategic Plan, ODI&CR also aims to achieve the following performance goals as outlined in the FYs 2018-2019 SBA Human Capital Operating Plan Strategy 1, Recruit and maintain an inclusive workforce:

- Meet or Exceed the EEOC Disability Hiring Goals
 - 12% of the workforce
 - 2% Individuals with Targeted Disabilities (IwTD)
- Meet or Exceed the Current Civilian Labor Force Rates

Management and Program Accountability

SBA is committed to championing a diverse workforce and inclusive culture by ensuring equal and equitable access to employment and entrepreneur endeavors. We respect each other and appreciate our diversity.

Training managers and supervisors is essential to sustaining accountability and achieving optimum performance objectives. To that end, SBA provides training for managers and supervisors on cultural awareness, leadership, respect, communication and interpersonal skills. New managers are presented with a week-long training course that covers subject areas such as Reasonable Accommodation, EEO and Diversity and Inclusion.

ODI&CR continues to conduct Climate Assessments and Civil Treatment training as requested.

SBA also holds executives, managers and supervisors accountable by including EEO and Diversity in their performance objectives.

During FY17, ODI&CR reconvened a Barrier Analysis Working Group to conduct internal audits and review policies and procedures that may impede full participation on an equal basis.

Proactive Prevention of Unlawful Discrimination

SBA complies with, and timely submits required reports such as the Federal EEO Statistical Report of Discrimination Complaints, the annual Notification and Federal

Employee Antidiscrimination and Retaliation Act (NoFEAR Act) and the Federal Equal Opportunity Recruitment Program (FEORP).

SBA upholds a zero tolerance policy for harassment. All employees have the responsibility to implement and promote the Anti-harassment policy through respectful behavior and sensitivity to the rights of their colleagues. Managers and supervisors are accountable for ensuring a work environment free of harassment and are responsible for taking immediate steps to investigate any act of alleged harassment.

SBA proactively seeks to resolve employee concerns prior to the initiation of EEO pre-complaints. Taking a major step toward making SBA more effective and efficient, Administrator McMahon set a new standard for resolving conflicts at the lowest level with the “Proactive Conflict Resolution” policy signed on March 28, 2017. With employment litigation costs on the rise and the need for a high-performing workforce focused on SBA’s mission, the Administrator’s championship of early, collaborative resolution and utilization of SBA’s Conflict Resolution Center program has already led to a 172% increase in requests for resolution assistance from the CRC.

SBA makes every reasonable effort to accommodate qualified employees or applicants with disabilities, and ensure that they have access to the reasonable accommodation procedures. During FY17, over new 84 reasonable accommodations were provided to employees. The most frequently requested accommodations were varying forms of telework arrangements and sit/stand desks. Additionally, as a result of the service agreement in place with the Department of Defense Computer/ Electronic Accommodations Program, we were able to assist eighteen (18) employees by providing them with requested items to allow them to perform the essential functions of the position. The Agency’s reasonable accommodation procedures were revised to include providing Personal Assistance Services.

Efficiency

The Agency utilizes iComplaints to track EEO complaint case information; monitor the case processing status of complaints; and report on trends in complaint activity. The system captures all necessary information to analyze complaint activity and trends, and to complete the annual Federal EEO Statistical Report of Discrimination Complaint (EEOC Form 462) and the annual NoFear Report. The system is used to monitor Agency adherence to regulatory timeframes in counseling, ADR, investigations, adjudicatory election notifications, and post closure events, as well as to store documents reflecting case file information. During FY 17, the Agency completed 27 EEO investigations and the average processing time for in-house investigators was 271 days and contract investigators, 278 days. This is an increase in the number of processing days as compared to FY 2016 for both in-house (242 vs 271 days) and contract investigations (242 vs 278 days).

Responsiveness and Legal Compliance

SBA is in full compliance with EEO laws, including EEOC regulations, policy guidance, and written instructions. The Agency reports program efforts and accomplishments in accordance with EEO instructions and ensure that management aligns with final EEO orders and corrective action and relief in EEO matters.

All supervisors and managers have a critical element regarding EEO and Diversity in their performance standards. Supervisors and managers are evaluated on compliance with these standards.

ODI&CR remains fully committed to disability employment and maintaining a reasonable accommodation program that supported over 84 new requests in FY 17, while performing needed reviews and or updates on open case inventory. Additionally, ODI&CR maintains a Disability Special Emphasis Program that provides disability awareness training to employees and management.

WORKFORCE DATA HIGHLIGHTS

At the end of FY 17, SBA's workforce was comprised of 5,324 employees spanning 10 geographic regions across the continental United States. This represents a significant increase from FY 2016. Specifically, the total workforce population increased by 974 (22.39%)

In FY 17, Males fell below the 2010 CLF of 51.86% to 48.05%. This decrease is reflected in Hispanic Male population, where the participation rate is 4.55%, falling below the CLF of 5.17%. White Males and White Females also fell below the expected CLF rate of 38.33 % (29.79%) and 34.03% (22.05%) respectively. This is the second consecutive year that White Females fell below the CLF. No barrier analysis was conducted to determine whether any policies, practices and or procedures are hindering equal employment of this particular group. ODI&CR Barrier Analysis Work Group will address this trigger to determine whether there are any impediments to participation.

FY 17 saw a significant increase in the temporary workforce because of an increase in nation-wide disasters that the Office of Disaster Assistance responded to.

The direct cause for the increase in the participation rate of Individuals with Disabilities (IwDs) and Individuals with Targeted Disabilities (IwTDs) cannot be determined. However SBA believes that the data collection source used for FY 16, Workforce Analytics, may be a factor and did not accurately capture workforce data previously. The data reflected in this year's report was obtained using the National Finance Center (NFC) module and is a reflection of the current workforce status. As a result, the current data reflects the participation rate of IwDs is 10.82%, slightly below the regulatory goal of 12%, and IwTDs participation rate is 2.29 %, slightly above the regulatory goal of 2%.

Responsive to the Office of Personnel Management's January 18, 2017 Memorandum to Agencies, addressing Hispanics in the federal workforce, SBA found no anomalies in the participation rate of Hispanics at SBA. In fact, for the past three years, Hispanics Females have exceeded the CLF (4.79%), and only in 2015 and 2017, did Males fall slightly below the CLF of 5.17%, to 4.91% and 4.55% respectively. With regards to the grade level participation rate, Hispanic Males and Females fall far behind their African American and White Males and Females counterparts at the GS-13 through GS-15 grades.

CONCLUSION

During FY 18, ODI&CR will continue to improve the Agency's approach to implementing MD-715 objectives. This effort will be accomplished with a sustained focus on several initiatives, to include:

- Influencing organizational focus on diversity and inclusion objectives and outcomes;
- Leveraging data to implement EEO action plans and promote change and sustainability;
- ODI&CR will continue to pursue MD-715 objectives as a year-round initiative for increasing diversity and inclusion at SBA and ensure equal employment on an equitable basis; and
- Working with OHRS and the Office of General Counsel to develop procedures for establishing Employee Resource Groups (ERGs), which will in turn help the Agency ensure that all employees feel included, connected, and engaged.