2016 Bi-Annual Diversity and Inclusiveness Report

January – June, 2016
Executive Summary

Diversity and inclusiveness are essential components of successful economic development plans and efforts. Mayor Michael B. Hancock maintains a strong commitment to Diversity and Inclusiveness (DI) as an essential component of a successful economic development approach for the Denver economy overall. Executive Order 101 (implemented on April 1, 2014) establishes strategies to promote DI in all City government procurement activities, thus encouraging more businesses to compete for City contracts. This Order furthers the Denver Office of Economic Development (OED) goal of achieving sustainable economic development, attracting and retaining a "best-in-class" workforce, and supporting the growth and vibrancy of all businesses. Well beyond simply the purview of City contracting, such efforts ultimately bolster economic stability in the metro region and throughout the state.

Current State

The information in this report covers the period from January 1, 2016 through June 30, 2016. During this period, improvements were made to the City’s DI form to enhance the collection and analysis of data to measure our progress over the long term. Effective 1-1-2016 an automated web-based form was implemented. General Services and Technology Services led the implementation. With this form, the responsibilities of entering the data was put upon the company as opposed to city agencies. A link to the automated form was imbedded in solicitations.

Working towards our goal to guide establishments to have a DI program OED posted a generic Diversity and Inclusion template, with a completed sample, and some reading resources. There were 66 inquiries requesting information. They can be accessed by clicking on the link:


**Considerations**

Reflecting on previous DI responses, we developed the electronic form and refreshed the layout of the questions. With this change, we have received the highest volume of completed responses since inception of the program. Questions from the previous report were:

- What baseline or trends are we starting from in the percentage of City contracts awarded to companies that have formal/written diversity programs in place? What goals can we set for increasing this percentage in the future?
- Can we now compare the body of respondents that completed the survey with the number of bids evaluated over this report period, and what does the comparison show us?
- Is there a trend or pattern common to those firms that do not have a diversity program in place (years in business, annual revenue, staff size, industry, etc.)?
- Can the City guide the establishment of more diversity programs in these firms, suggesting key components, staff engagement strategies, methods of accountability, etc.?

The data trends have consistently indicated that almost 50% of companies who have responded do not have a diversity and inclusion plan. The majority of firms that do not have a plan employ less than 50 people. Examples of organizations practicing diversity and inclusiveness can be seen in some of the responses. Please see summarized examples below:

- Family-owned company with no official hiring or retention program but we are an Equal Opportunity employer who practices diversity.
- A small business with no official program who is open to all qualified applicants and does not discriminate.
- No formal program at this time, but value diverse opinions and backgrounds. Hires the person with the ability to grow the company’s intellectual capital and unique perspective.
- Family business consisting of husband and wife, with no current plans to hire additional employees.
Results

Of the total 968 forms submitted, 146 were awarded projects (15%). Comparing where these companies reside we found that 86% of companies reside in Colorado of those 52% are Denver companies. Of the 146 awards given to companies, 75 have a DI plan. Of the 968 questionnaires submitted:

<table>
<thead>
<tr>
<th>Industries</th>
<th>Total</th>
<th>DI Plan</th>
<th>No DI Plan</th>
<th>No Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction, Landscape, Maintenance</td>
<td>148</td>
<td>47%</td>
<td>40%</td>
<td>13%</td>
</tr>
<tr>
<td>Financial</td>
<td>12</td>
<td>50%</td>
<td>1%</td>
<td>49%</td>
</tr>
<tr>
<td>Goods &amp; Services</td>
<td>299</td>
<td>31%</td>
<td>48%</td>
<td>21%</td>
</tr>
<tr>
<td>Professional Services</td>
<td>419</td>
<td>40%</td>
<td>42%</td>
<td>18%</td>
</tr>
<tr>
<td>Technology</td>
<td>90</td>
<td>33%</td>
<td>41%</td>
<td>26%</td>
</tr>
</tbody>
</table>

Data also indicated that 42% that responded do not have a DI program because they have been in business less than two years, are a small company with less than 10 employees, are sole proprietors, or a women/minority owned business and have no plans on implementing a DI program, as they practice it daily. Responses included the following:

- A very small company of two owner/employees. As we grow we will consider actions we can take to guarantee a diverse staff.
- Being a 100% minority owned business, diversity and inclusiveness are a part of our hiring practice. We have not heard of a diversity and inclusive program, but we are not opposed to starting one.
- We don't have a formal "program", we are an equal opportunity employer. We continuously seek to promote an environment where all employees are treated with dignity and respect.
- Currently we only have one staff member but plan to implement a Diversity and Inclusiveness Program should we choose to hire.
- We are not less than 10 employees.
- N/A because our company size is greater than 10 employees.
- Self-employed therapist with no other employees.
- A 2-year-old company and this will be implemented this year.
Comparison

Comparing data from 2015 reports;

➢ The 2015 report shows that about 48% of companies awarded contracts have a DI plan.
   2016 shows 51% of companies awarded contracts have a DI plan

➢ The data reports show that smaller companies (100 or fewer employees) that do not have a
   DI plan are newer companies (2 years and under), family owned, or anticipate implementing
   a plan once their company grows.

Survey Data

Effective January 1, 2016, the Diversity and Inclusiveness form was automated. Comparing the body
of respondents that completed the form, this is the largest volume of respondents received during a
six-month period since the Executive Order was implemented. Since introducing the web-based form
process, we have experienced a 31% increase in the number of forms received (from 662 forms
during the last reporting period, to 968 forms during this current period). Of those:

- 364 have a DI plan in place - 38%
- 414 do not have a DI plan in place - 43%
- 190 did not respond to this question – 19%

Companies with a DI plan: Of the 364 companies
reporting that they do have a DI plan, 201 (55%) have more than 100+ employees. Their
communications to their employees about DI include annual employee training such as lunch
and learns, webinars, classroom trainings, workshops, pamphlets, and public Equal
Employment Opportunity (EEO) postings. The trend indicates that larger companies regularly
communicate DI policies to employees.
Companies without a DI plan: Of the 414 that do not have a DI plan, many stated they practice diversity and inclusion in their companies, however they just don’t have a formal plan. Of the 414, 80% employ less than 100 employees.

Compare the number of respondents that completed the form with the number of bids evaluated: PeopleSoft does not house all data needed to complete this analysis. While we did collect and attempt to analyze some of this data, it is regrettably not possible to prepare a consistent, all-inclusive report showing each solicitation from each agency. With the new financial system “Workday,” we are anticipating the ability to get this information. This will be one of the goals of the new Steering Committee. Below is a chart of agencies who participated in the distribution of XO101 Diversity and Inclusion Questionnaires.
Looking Ahead 2017 - Goals

- Work with city agencies and stakeholders to align a coordinated effort to approach diversity and inclusion in the workplace.

- Create a Diversity and Inclusion Steering Committee to develop and implement a more comprehensive focus on diversity and inclusion for those with and without a DI program.

- Provide a Diversity and Inclusion Quarterly Informational Session to interested companies.

- Work with the City Attorney’s Office to refresh questions on the survey.