Diversity and Inclusion

An Essential Element to the State IT Workforce

April 2022







THE BIG PICTURE

The refrain that the information technology (IT) sector has a diversity problem is one we have probably all heard, but let's take a look at what the facts tell us:

Fifty-seven percent (57%) of the U.S. workforce is made up of women, but only 25 percent of technology-related positions are held by women as <u>reported by Women and Information Technology</u>.

Only 21 percent of tech professionals report that their company's leadership teams are more than a quarter people of color (POC). Sixty-seven percent (67%) report their leadership teams are a quarter or less POC, according to the TrustRadius People of Color in Tech Report.

<u>The Rebooting Representation Report</u> finds women of color make up four percent of roles in the computing workforce — almost none of which are senior leadership roles — despite making up 16 percent of the general population.

The number of women in computing has decreased over the last 25 years, as seen is a SD Times article.

Most of us probably believe that workforce diversity and inclusion (D&I) is important, but consider that 76 percent of job seekers deem workplace diversity as an important factor in their decision process, especially millennials, who now make up the majority of the workforce. Further, it has been proven that greater diversity and representation equals higher performing teams.

HOW DOES THIS RELATE TO STATE IT?

It has been widely acknowledged that state government has significant challenges in recruiting and retaining a qualified IT workforce and this has been a theme in NASCIO's workforce research. NASCIO has studied the issue of IT workforce for several years and released national survey reports in 2007, 2011, 2015 and, most recently, 2021. The 2021 publication, <u>Yesterday, Today and Tomorrow: A Resilient and Adaptable State IT Workforce</u>, includes insights from data collected from state chief information officers (CIOs) during 2020 and 2021.

In both 2020 and 2021, we asked state CIOs about their top workforce priorities in the coming year and next three years. CIOs listed several priorities dealing with recruitment, training and flexibility, among others. However, the most interesting information we received was comparing what CIOs *did* say in 2021 with what they *didn't* say the previous year. There are three things that fall into this category: remote work, increased use of artificial intelligence and creating a diverse workforce and emphasizing diversity and inclusion (D&I).

Several CIOs listed D&I as a priority in the 2021 survey, yet only one did in 2020. One likely cause for this is the civil unrest and calls for social justice and change in the summer of 2020. Additionally, CIOs told us that culture was more important than ever. Workplace flexibility, culture management and creating a connected culture were all listed as goals by several CIOs. Because of this, one of the recommendations we issued in the 2021 publication was:

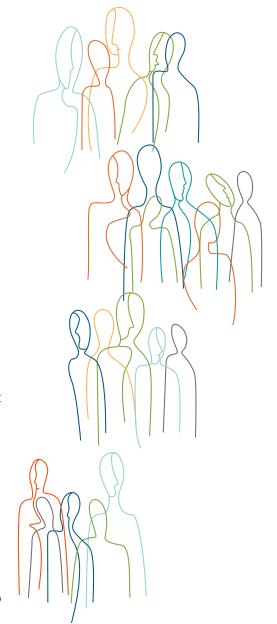
State CIOs must look for ways to embrace and understand diversity, equity and inclusion (DEI) by recruiting and retaining a diverse workforce.

To illustrate this recommendation, at the NASCIO 2021 Annual Conference, Tennessee CIO Stephanie Dedmon presented on her state's Diversity and Inclusion Council which was a <u>submission</u> in NASCIO's 2021 State IT Recognition Awards. The session was standing room only and included attendees talking about the importance of D&I through their own personal experiences.

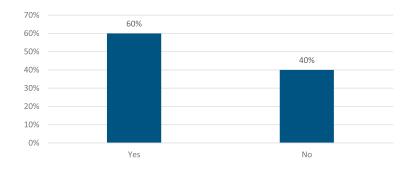
The bottom line is that state IT has a workforce gap problem and the vast majority of job seekers today view diversity and inclusion as important factors when looking for employment. Therefore, if state IT is going to recruit and retain the necessary workforce in the future, diversity and inclusion must be a priority. To this end, the NASCIO Executive Committee voted unanimously in December 2021 to study the state IT workforce and identify gaps and meaningful steps that state CIOs can take to recruit and retain a diverse workforce and maintain an inclusive workplace. In this effort we collaborated with NASCIO corporate members due to the fact that the private sector generally has well established diversity and inclusion programs that states can model.

THE FIRST STEP

The initial step NASCIO took in this process was to survey state CIOs to get a baseline of diversity in state IT and feedback on what is working and what needs to be improved. We first asked if state CIOs believe they have a diverse IT workforce in the CIO office. Sixty percent said yes while 40 percent said no. Many CIOs said that they are making progress but there is significant room for improvement, especially at the executive and leadership level. CIOs also said there is more widespread gender diversity but not diversity in other areas.



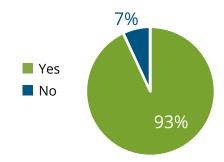
DO YOU FEEL YOU HAVE A DIVERSE IT WORKFORCE IN YOUR STATE CIO OFFICE?



Next, we asked if CIOs felt they have an inclusive workplace and 93 percent said yes while seven percent said no. When commenting on this question, CIOs gave us a lot of good information:

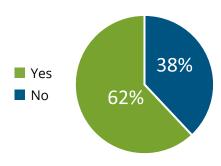
- "This was difficult to answer. In many ways we are, but in some ways, we need to improve. This is an area that we will always be working to improve."
- "More work to do. It is something that we are all striving for, but our work is not done and a commitment and focus to an inclusive workforce needs to be a lens that we apply to everything we do."
- "We are very inclusive and do strive to identify and reduce conscious and unconscious bias. It helps that my leadership are passionate about this."

DO YOU FEEL YOU HAVE AN INCLUSIVE WORKPLACE?



We then switched gears and asked CIOs if they measure diversity in recruitment and retention practices in the CIO office and 38 percent said yes. It should be noted that many CIO offices work with central human resources (HR) and may not have the ability to do this specifically for their office. One CIO told us, "I wish we could say we were better at this. HR tries to help us by occasionally running some reports, but I don't feel like we measure this consistently or well."

IN THE CIO'S OFFICE, DO YOU MEASURE DIVERSITY IN YOUR RECRUITMENT AND RETENTION PRACTICES?





As a follow up question, we asked those who responded "yes," to describe how they measure diversity in recruitment and retention. While this is clearly an area for improvement and likely will require a strong partnership with central HR, some CIOs reported established practices.

"We have a full diversity recruitment plan and track diversity in applicant pools and ensure that our interview pool matches the qualified pool in terms of diversity."

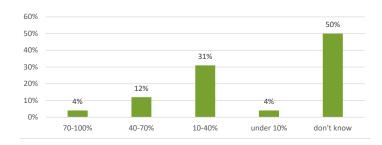
"We measure the diversity of new hires and employee retention via a dashboard of employee demographics for ongoing monitoring."

"Our diversity plan spans the organization and includes changing HR related policies and practices, training leaders in diversity and inclusive related topics and data transparency."

"Each year we develop a plan broken out by region and job category. We utilize census and American Community Survey data to compare against available skills in the region and determine our gaps."

As an additional follow up question for those CIOs who are measuring diversity in recruitment and retention, we asked which percentage of applicants are considered diverse. This was a tough one to answer with the majority of CIOs unsure, but 31 percent said 10 to 40 percent of applicants were considered diverse.

IF YOU MEASURE DIVERSITY IN RECRUITMENT, WHICH PERCENTAGE OF APPLICANTS ARE CONSIDERED "DIVERSE?"



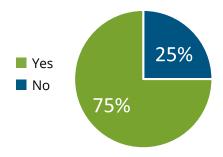
Finally in our survey we questioned CIOs about internal practices within the CIO's office. We asked if the CIO office has an internal position focused on diversity and inclusion in recruitment, retention and practices. While only 23 percent said yes, many CIOs told us that they are currently recruiting or planning for this position. CIOs told us that they have employee engagement teams and committees focused on D&I and one CIO said, "We just allocated an existing open position to create a DEI director who will report directly to the state CIO."

DOES THE CIO OFFICE HAVE AN INTERNAL POSITION FOCUSED ON DIVERSITY AND INCLUSION RECRUITMENT, RETENTION AND PRACTICES?



Next, we asked if the CIO office has a formal D&I program and 25 percent said yes. Some CIOs told us there was a statewide program, but they would like one specific to IT.

DOES THE CIO OFFICE HAVE A FORMAL DIVERSITY AND INCLUSION PROGRAM?



We also asked CIOs about the biggest challenge they have in recruiting or retaining a diverse workforce and many identified workforce challenges that are an issue across the board. As one CIO told us, "Market of tech candidates is extremely limited—diverse and non-diverse." Not surprisingly CIOs cited low salaries as the biggest barrier and also identified:

- Advertising jobs to potential applicants—"HR cannot just post and pray"
- Outdated position descriptions, job announcements and recruitment practices
- Lack of diversity in states which has impact on diversity of workforce
- Lack of remote work options

Finally, we asked CIOs how they are prioritizing diversity and inclusion in 2022 and several said that this is part of their strategic plan for 2022. CIOs told us that they have found success attracting diverse candidates by partnering with community colleges and recruiting on social media. CIOs told us that they plan on fully supporting and participating in their agency's diversity and inclusion efforts with one CIO telling us a goal is to "create a connected culture which emphasizes collaboration and breaks down siloes."

WHAT STATES CAN LEARN FROM THE PRIVATE SECTOR

The companion effort to surveying state CIOs was to collaborate with NASCIO corporate members, as the private sector generally has well established diversity and inclusion programs that states can model. NASCIO invited all corporate members to provide feedback and here is what members who volunteered to be interviewed said:

Yesenia Reyes, who is an executive leader in Accenture's Inclusion, Diversity, and Equity transformation services, advises that people are learning and gaining skills through many channels. When organizations are thinking about recruiting, role changes, promotions or other career events, don't overlook people who do not have the traditional education background. She also said having a skills/workforce inventory is a strong first step to anyone starting a diversity and inclusion program. A baseline must be established and then a mechanism can be set up to capture innovation and growth. Reyes cautions to not ignore employee engagement and that internal, employee-led diversity and inclusion councils/groups are very important. She says that these groups can provide input on what employees are really asking for, communicate what is and isn't working well, help to create a "safe space" for employees to provide feedback, bring employees together and provide input on performance management and upward mobility.

Tracy Nowski and Sarah Gitlin, from McKinsey and Company, co-authored a report with Pivotal Ventures called <u>Rebooting Representation</u>. When speaking with NASCIO, Nowski

and Gitlin said the most important thing in diversity and inclusion efforts is getting executive level support, which is crucial to success. Nowski and Gitlin also discussed the importance of community among employees, especially women and people of color. They cautioned that *intentionally* having one "diverse" employee on projects, councils, etc. could potentially have a negative impact on that employee. The goal should not be to simply "check a box" but to develop a critical mass of diversity within the workforce.

Ryan Parker, Vice President for Diversity, Equity and Inclusion for CGI says that, "DEI doesn't just happen on its own—it takes intention and deliberate thought, planning and resources." Ryan also cautions that seeing diversity and inclusion as only an HR program is a mistake. A mentality like this, "limits the impact a multidimensional DEI strategy can have as a cross-cutting business strategy. While representation remains the greatest barrier in IT, engagement, inclusion and belonging are equally as important to spur the collaboration needed to be on the next frontier of IT innovation."

Terri Hatcher, Chief Diversity and Inclusion Officer for NTT DATA Services, created an internal, optional certification within the company called Inclusion Intelligence. Employees can pursue progressing levels of certification. The program was made more personal through a microaggressions training developed in-house that included their own employees. Even though the certification was optional for employees, an overwhelming 25 percent of employees were certified within seven months of the program launch.

Hollis Williams, who is the Chief Operating Officer, State and Local Government, for Microsoft, says leaders must be clear on the business reason and impact around diversity and inclusion efforts. Diversity and inclusion are "an execution strategy." It must be apparent to employees how it integrates into the daily mission in a way that will improve quality of service and environment for employees. Hollis said, "you have to be clear on your why."

Dr. Lamont Browne, Vice President of DEI Solutions for MGT Consulting, advises to start a diversity and inclusion journey by, "reading, learning and becoming more aware." He encourages leaders to uncover biases and practices that have may been around for a while and start there. He says that existing bias can impact the current workforce and, if not addressed, can perpetuate and affect the future workforce. He says that, for diversity and inclusion, "leadership is not a destination" but a continuous process.

Carla Grant-Pickens, Chief Diversity & Inclusion Officer for IBM and Cindy Anderson, Global Executive, Thought Leadership Engagement & Eminence, IBM Institute for Business Value said, "The number one thing that helps underrepresented employees succeed is a formal mentorship and sponsorship program." They continued, "Diverse talent may come to an organization, but the key is retention. It is important that talent see what they can become and believe that there is space for them to grow and excel within the organization."

Deena Razik, Senior Director at GEP, says that she is noticing a shift in interviews and that applicants are asking what is being done on diversity and inclusion. Applicants want to see that diversity and inclusion is important and that there is value and positive impact to communities. She says that leadership has an opportunity to influence and drive culture for current and future employees.



WHAT CAN STATES LEARN FROM THE PRIVATE SECTOR?

"Listen, learn and then act."

Bob Ferrell, Executive Vice President, Public Sector Strategy and Diversity & Inclusion for World Wide Technology

"If diversity, equity and inclusion are treated as an afterthought, that's likely how others will think of it."

Dom Williams, Chief Culture, Diversity and Inclusion Officer for Guidehouse

"Go beyond workforce data to evolve from a check-the-box activity to making substantial impact."

Sherika Ekpo, Chief Diversity and Inclusion Officer at Anaplan

Sarah Rodriguez, a Director in KPMG's State and Local Government group, told NASCIO, "Cultural competency is not a one-and-done skill – it's a skill that's crafted and developed overtime with the more we learn and the more we are exposed to different cultures. You'll learn different things about others and yourself that may require you to change your behaviors and may push you outside of your comfort zone. Like any transformation – whether personal or professional – this is normal and expected."

In addition to NASCIO corporate members, many others in the private sector are leading the way in diversity and inclusion efforts.

Brian Reaves, Chief Belonging, Diversity and Equity Officer at UKG, says, "Only using demographic data for measuring the success of belonging, diversity and equity programs limits the potential for impact. Such data often fails to capture the intersectional experience of most employees and its impact on belonging. I believe organizations can, and should, go further by evaluating and sharing KPIs that account for important subjective experiences — such as authenticity, acceptance and affiliation — which are crucial aspects of belonging, diversity and equity. By collecting and analyzing both quantitative and qualitative DEI-related data, companies will be well-positioned to create strategies and tactics that will have meaningful and sustained impact."



WHAT CAN STATES LEARN FROM THE PRIVATE SECTOR?

"Talking about diversity and inclusion is one thing, but walking the walk is the true test. In order to view diversity and inclusion as a business priority, one must measure it as such."

Katie Burke, Chief People Officer at HubSpot

"Start with asking, 'Does my agency look like the population I serve?' And, if not, how do I move my agency in that direction."

Richard Leadbeater, Global Manager, Industry Solutions for State Government, Esri



RECOMMENDATIONS

Considering the CIO diversity and inclusion survey, interviews with corporate members and others and NASCIO research, here are recommendations for state CIOs to improve diversity and inclusion in their organizations. If the CIO office is just starting diversity and inclusion efforts, the first three recommendations are good places to start:

TOP THREE:

- Designate a senior executive sponsor—CIO or deputy—to place utmost importance on D&I.
- Establish a formal diversity and inclusion program and/or strategic plan and set goals and metrics.
- While recruiting a diverse workforce is paramount, making sure the workforce is comfortable when they arrive (and stay) is also key. Creating employee led D&I councils is a great way to take the temperature of the D&I-friendliness of your office.

RECOMMENDATIONS FOR LONG-TERM SUCCESS OF DIVERSITY AND INCLUSION EFFORTS:

- <u>States MUST embrace remote and flexible work</u> as traditionally underrepresented groups view remote work more positively.
- Workforce diversity should mirror your state and/or region's community. Census and community survey data can assist with this.
- Consider creating a position to focus solely or partly on D&I.
- Partner with the private sector to learn more about effective diversity and inclusion programs and implementation.
- Interest in technology starts at a young age and can also be encouraged (or discouraged!) in girls as young as elementary school age. Create outreach programs to K-12 with a specific emphasis on girls of color.
- Institute "blind hiring practices" to reduce unconscious bias.
- Review job titles and descriptions for clarity and for words that may discourage diverse applicants. There are several software options to aid with this.
- Ensure that job descriptions clearly state the mission and impact on state citizens.
- Analyze the hiring process to identify if diverse candidates are dropping out at a certain point and, if so, create an improvement plan.
- Measure employee engagement on diversity and inclusion and identify areas that are working well and areas for improvement.
- Look at state policies and procedures that that have historically created barriers, bias and served populations differently than others. An internal, employee-led D&I council can help with this.
- Make job descriptions skills-based rather than education or background-based and when hiring and reskilling, test for skills rather than requiring certifications or degrees (<u>Maryland is</u> an example of skill-based descriptions).

THANK YOU

to the following individuals who volunteered to be interviewed for this important publication.

Cindy Anderson, Global Executive, Thought Leadership Engagement & Eminence, IBM Institute for Business Value

Dr. Lamont Browne, Vice President of DEI Solutions for MGT Consulting

Bob Ferrell, Executive Vice President, Public Sector Strategy and Diversity & Inclusion, World Wide Technology

Sarah Gitlin, Associate Partner, McKinsey & Company

Carla Grant-Pickens, Chief Diversity & Inclusion Officer, IBM

Terri Hatcher, Chief Diversity and Inclusion Officer, NTT Data

Karrah Herring, Chief Equity, Inclusion & Opportunity Officer, State of Indiana

Richard Leadbeater, Global Manager, Industry Solutions for State Government, Esri

Nina Maddux, Public Sector, McKinsey & Company

Tracy Nowski, Partner, McKinsey & Company

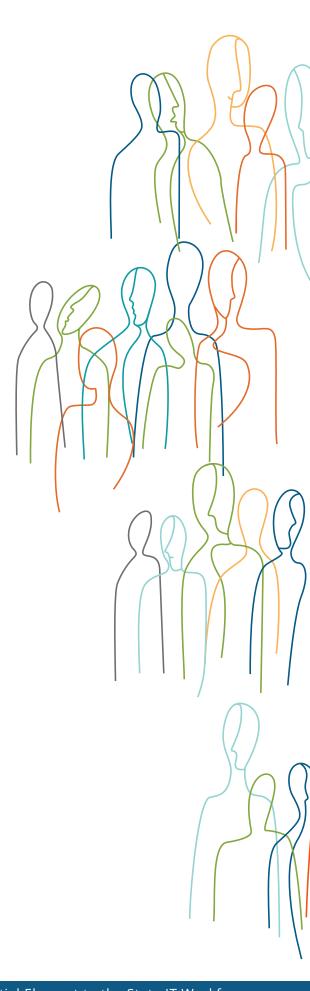
Ryan Parker, Vice-President and Diversity, Equity and Inclusion Lead, CGI Technologies & Solutions, Inc.

Deena Razik, Senior Director, GEP

Yesinia Reyes, Executive Leader, Inclusion, Diversity, and Equity Transformation Services, Accenture

Sarah Rodriguez, Director, KPMG, LLP

Hollis Williams, Chief Operating Officer, State & Local Government, Microsoft Corporation



Resources

<u>Do Your Diversity Initiatives Promote</u> Assimilation Over Inclusion?

Has the Public Sector Done Enough to Create a Diverse Workforce?

<u>Diversity, Equity, and Inclusion in the Public</u> Service Workforce

<u>Tips for new government leaders: Unlocking</u> diversity and inclusion

Tennessee STS Diversity and Inclusion Council

Three Reasons Governments Must Embrace Remote Work

> <u>Labor Shortage? Not Really. Millions of</u> Americans Need a Second Chance.

> > **EQUALITY = INNOVATION**

The Hidden Value of Culture Makers

The Rising Influence of Human Resources in Government During the Pandemic

Dismantling the glass ceiling

<u>To Retain Women, Workplaces Need To Fight</u>
<u>Burnout</u>

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About NASCIO

Founded in 1969, the National Association of State Chief Information Officers (NASCIO) represents state chief information officers (CIOs) and information technology (IT) executives and managers from the states, territories and District of Columbia. NASCIO's mission is to foster government excellence through quality business practices, information management and technology policy. NASCIO provides state CIOs and state members with products and services designed to support the challenging role of the state CIO, stimulate the exchange of information and promote the adoption of IT best practices and innovations. From national conferences to peer networking, research and publications, briefings and government affairs, NASCIO is the premier network and resource for state CIOs. For more information, visit www. NASCIO.org.