

# Exhibit to Agenda Item # 2

Accept the monitoring report for **Strategic Direction SD-8, Employee Relations.**

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Wednesday, August 19, 2020, scheduled to begin at 5:30 p.m.

# Strategic Direction 8 (SD-8) Employee Relations 2019 Board Monitoring Report

Developing and maintaining a high quality, diverse and inclusive workplace that engages and inspires employees to commit to SMUD's purpose, vision and values is a core value of SMUD.

SMUD is committed to diversity and inclusion and will foster and support a workplace that values employees representing a variety of backgrounds, including but not limited to, race, ethnicity, gender, gender identification and/or expression, sexual orientation and identification, national origin, age, physical abilities, veteran status, socio-economic status, life experiences, talents, and thinking styles.

Therefore:

- a) SMUD shall attract and retain a highly qualified and diverse workforce.
- b) SMUD shall promote inclusion and diversity and engage its workforce in activities that demonstrate and support inclusion and diversity across the organization.
- c) SMUD shall engage its workforce in personal and professional development.
- d) SMUD's percentage of engaged employees as measured through the Engagement Index shall exceed 80%.
- e) SMUD shall use a broad mix of communication and outreach channels to ensure its recruitment activities reflect the diversity of the communities it serves.
- f) SMUD shall maintain and communicate written policies that define procedures and expectations for staff and provide for effective handling of grievances.
- g) Annually, and consistent with State and Federal law, the Board shall receive a report detailing the demographics and trends of the SMUD workforce, the available workforce, and the Sacramento region. The report shall also provide information on veterans as a part of SMUD's workforce.

# Attract & Retain a Highly Qualified Workforce



Improved Career Ambassador focus on diverse and underserved communities



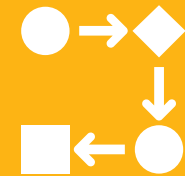
Facilitated improved cultural understanding with ongoing education and events



8.5% employee turnover rate ranked below 11.1% industry benchmark



Supplemented field force education & development in response to industry trends



Implemented procedural changes to address bias in hiring processes

# Diversity & Inclusion Across the Organization



- 7 Employee Resource Groups supported 69 events and business initiatives in 2019
- Ongoing education and D&I embedment in business processes
- D&I Acceleration in 2020
  - *Addition of Equity*
  - *Diversity Council*
  - *Expanded Corp Comm strategy*
  - *DEI program manager*
  - *Mandatory training for all employees*



# Workforce Personal & Professional Development



20 employees participated in local and regional development programs

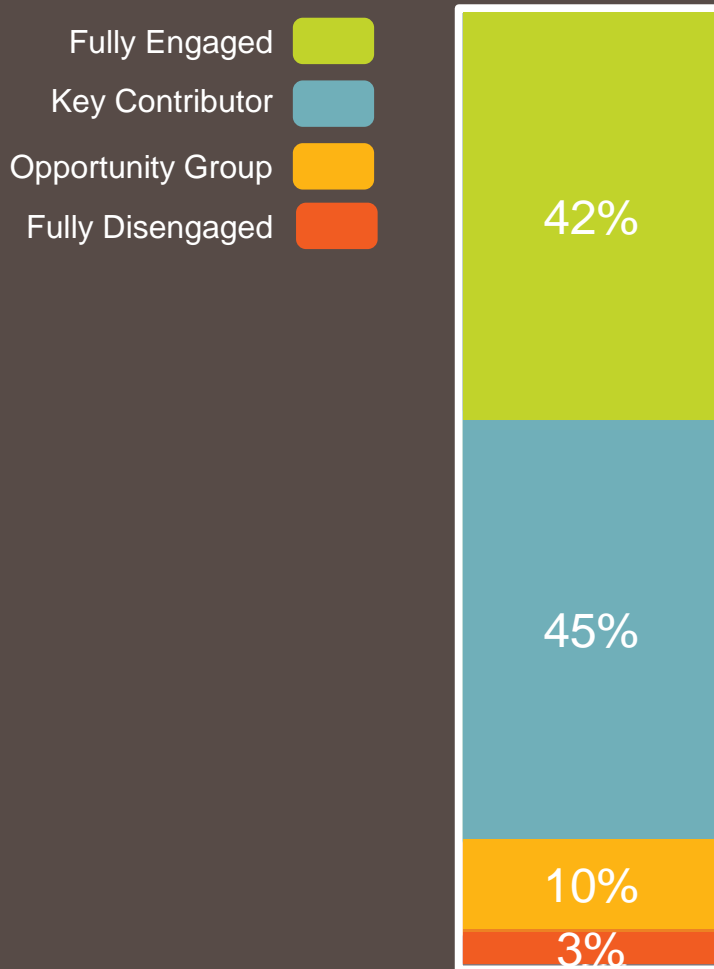


150 employees utilized SMUD's Educational Assistance Program in 2019 (10% increase)



2,487 individuals averaged 38 hours of training each (up from 33 hours in 2018)

# Employee Engagement & Culture of Trust



- 86% response rate for 2019 pulse survey
- 87% of employees are engaged
- Opportunities:
  - *Stronger communication and cascading information among senior leaders*
  - *Improved trust and cross-functional collaboration*
- Response:
  - *Launched enterprise-wide Speed of Trust campaign*
  - *Implemented RACI matrix for critical initiatives*
  - *Increased meeting cadence for senior leaders*
  - *Planned 2020 reboot of annual Leadership Summit*



# Diverse Outreach and Partnerships

Funded 10 CSUS Hornet Leadership Program students from diverse backgrounds with critical IT majors

- Received 1,695 college intern applications
- Hired 76 interns, increased # of minorities and females
- Hosted 25 High School interns over summer, 5 during school year

Participated in broad mix of employment-related events:

- 5 female
- 2 LGBTQ
- 86 culture & ethnic
- 25 low-income
- 3 veteran; and
- 2 disabled

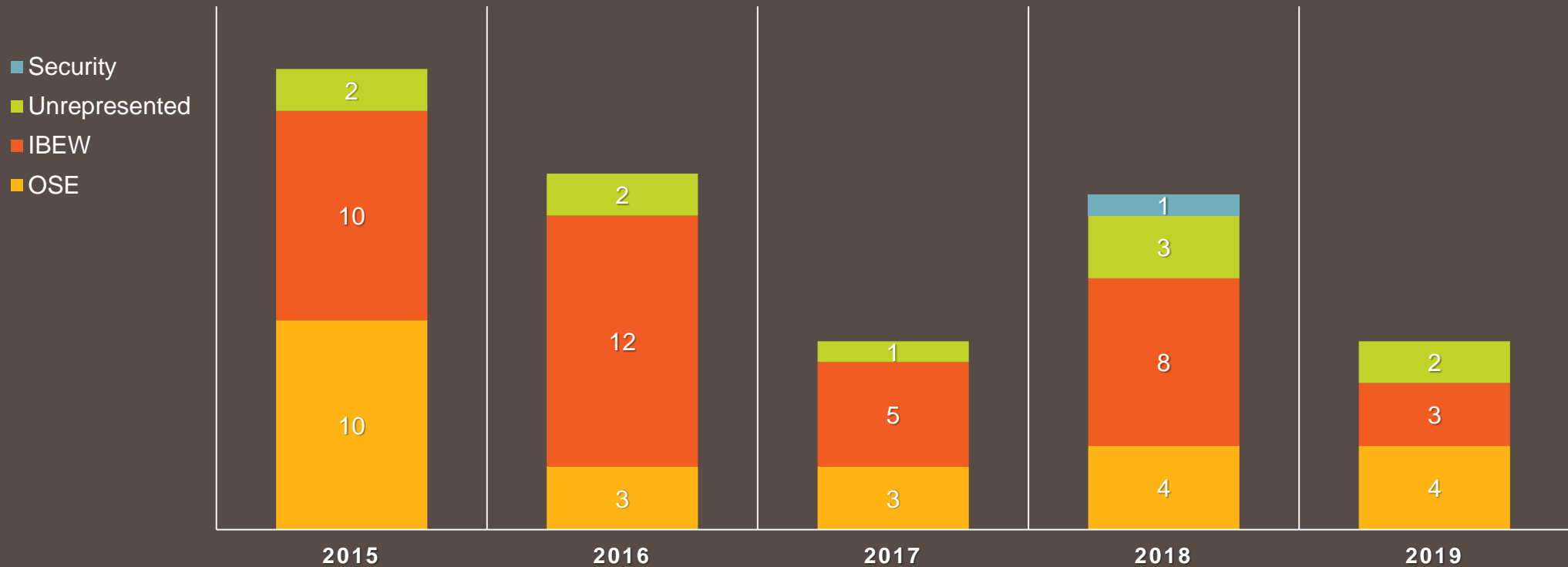
Funded endowments and awarded 1 scholarship each:

- Powering Hornets (CSUS)
- Powering Aggies (UCD)

Awarded 21 Powering Futures Scholarships

# Policies for Effective Handling of Grievances

2019 Grievances





# Workforce Demographics

\* Percentages may not add up to 100% due to rounding.

\*\* Tri-county demographics based on a civilian labor force, represent residents 16yrs+. Numbers exclude houseworkers, unpaid volunteers, institutionalized individuals, and U.S. Armed Forces active duty.

Population	Male	Female	Caucasian	African American	Hispanic	Asian	Native American	2 or more Races
2019 SMUD Employees	66%	34%	59%	8%	14%	15%	0%	4%
2018 SMUD Employees*	66%	34%	60%	8%	14%	15%	0%	4%
2017 SMUD Employees*	67%	33%	61%	7%	13%	14%	1%	3%
Sacramento, El Dorado & Placer Co.**	52%	48%	60%	7%	17%	13%	1%	3%
U.S.	53%	47%	67%	11%	15%	15%	1%	1%
2019 SMUD Veterans	92%	8%	55%	8%	16%	14%	0%	7%
2018 SMUD Veterans*	92%	8%	56%	8%	15%	14%	0%	6%
2017 SMUD Veterans*	91%	9%	59%	8%	14%	14%	0%	6%
CA Veterans	91%	9%	63%	9%	17%	7%	1%	3%

# Recommendation

SMUD is in full compliance with Strategic Direction 8.  
We recommend acceptance of the SD-8 monitoring report.