

Our Diversity and Inclusion (D&I) Journey

Insights from our Office of Diversity and Inclusion

Diversity – *noun*: 1. the state or fact of being diverse; difference; unlikeness; 2. variety; multiformity

Inclusion – *noun*: 1. the act or state of including or of being included within a group or structure;
2. a person or thing that is included within a larger group or structure

Our Definition

Definitions and interpretations of what is meant and/or what should be meant by “**diversity**” and “**inclusion**” are plentiful. From the academic to the practical and from the biological to the cultural, these words represent different things to different people.

We like to think of diversity - when boiled down to its most basic premise - as an invitation to the party. Inclusion is being asked to dance. This analogy is without question oversimplified. But despite its simplicity, the sentiment captures the spirit of our D&I work.

At FHLBank Pittsburgh (“Bank”), embracing diversity and inclusion is a strategic business imperative. We strive to invite as many people to the party as possible. We are taking a systemic approach to embracing all dimensions of diversity, including, but not limited to, race, religion, gender, sexual orientation, age, socio-economic status and physical disability.

We deeply understand that the invitation to join is not enough. We have a responsibility to ensure that everyone who accepts our invitation is asked to dance and feels comfortable on the dance floor.

The Foundation of a D&I Strategy

As we evolve in our journey to improve representation and create an inclusive culture, we’ve learned that our approach has to incorporate some foundational elements:

- **Executive Leadership** – the “tone at the top” sets the standard for the entire organization
- **Employee Engagement** – through surveys, focus groups, employee resource groups and performance management practices, a conversation regarding values, perspectives and experiences is ongoing
- **Strategic Partnerships** – building relationships with diverse business partners and suppliers strengthens our broader community, as well as our Bank
- **Education** – training is provided at all levels of the organization – Board, executive leadership,
- **Bank management and front-line employees** – on a variety of D&I matters
- **Performance Measurement** – both quantitative and qualitative metrics guide decision-making and influence the continuous evolution of our D&I efforts

Countless pages could be written on each of these topics, but we have found **executive leadership** and **employee engagement** to be critical aspects of our work. The two are fundamentally linked. These are the twin pillars that support and drive every aspect of our D&I strategic plan, which is designed to cultivate a diverse workforce, foster an inclusive workplace and build relationships with diverse business partners and suppliers in the broader marketplace.

We value our **strategic partnerships** outside the Bank because they challenge us to do more and think differently, but we understand that those relationships have little value without commitment from within. We know that **education** is essential to identifying and managing bias. We firmly believe that **performance measurement** gives us the information we need to take our work to the next level and refine our approach.

All of the elements that we’ve identified are essential for continuous improvement.

Executive Leadership and Employee Engagement

The tone set at the highest levels of the Bank and employee engagement are critical to our D&I work. Without a vision from the top and an engaged workforce to execute the strategy, external partnership is not positioned to be effective, educational and training activities can easily become exercises in checking boxes, and performance measurement doesn't lead to aspirational dialogue.

In early 2017, our leadership team established the Office of Diversity and Inclusion, and shortly thereafter, the Bank adopted its first D&I strategic plan to guide its work. Execution and ownership of diversity and inclusion is shared across the Bank. Our Board and executive leadership team are committed to embedding the principles of diversity and inclusion in all of our business activities. Our Office of Diversity and Inclusion provides strategic direction and oversight. At the same time, all of our employees have a responsibility to ensure that our culture is supportive for everyone.

The business case for our D&I efforts, as well as our progress and challenges, is regularly communicated by leadership to our employees. As our D&I work evolves, we strive to keep both the business and human outcomes in balance. We know from our own experience and from extensive research in the marketplace that high performance is more likely to be achieved when the teams involved in decision-making are diverse. Different backgrounds and experiences yield a variety of ideas and challenges to ideas, both of which are necessary for high performance.

We realize it is not enough to employ a workforce of individuals with diverse backgrounds and views. It is inclusion that drives engagement. The true value of diversity lies in our ability to unite and focus the wide spectrum of skills and experiences our employees bring toward a common purpose and a singular mission. The intersection of diversity and inclusion strengthens our business by empowering us to engage more meaningfully with one another and to strive continually toward new levels of excellence.

Feedback and Evaluation

After an early assessment of our work environment, we made the decision to create employee resource groups to give our employees an opportunity to lead and help drive change. We regularly invite feedback through a variety of tools, including focus groups and surveys. Because our work will not be complete until our employees experience a true sense of belonging in an environment where they feel valued and respected, we take feedback seriously and look for opportunities to respond and refine our work when appropriate.

Moving forward, we will continue to focus on the tone from the top of our organization, as we know the vision and expectations communicated by our executives are essential to driving engagement – and ultimately creating a workplace where everyone is asked to the party and can enjoy the dance. We'll continue to look to establish strategic partnerships that challenge us, to provide learning opportunities that enable us to grow individually and collectively as a Bank, and to measure our performance as a means of ensuring that our work is impactful.

We look forward to continuing to share our journey with you.

