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**BEFORE THE STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND PILOTS,

Respondent.

Docket No. TP-220513

**TESTIMONY OF
Kathleen Nalty
ON BEHALF OF
PACIFIC MERCHANT SHIPPING ASSOCIATION**

Diversity, Equity, and Inclusion Strategies

FEBRUARY 10, 2023

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EXHIBIT LIST

Exhibit No.	Description
Exh. KN-2	Kathleen Nalty Curriculum Vitae
Exh. KN-3	DEI Leadership Training and Action Planning Memorandum
Exh. KN-4	2018 Washington State Pilotage Final Report and Recommendations
Exh. KN-5	2018 and 2021 Annual Reports of the Washington State Board of Pilotage Commissioners

1 I. INTRODUCTION

2
3 **Q: Please state your name and business address.**

4 A: Kathleen Nalty – 7887 East Belleview Avenue, Suite 1100, Denver, CO
5 80111.

6
7 **Q: What is your profession and job description?**

8 A: I am a lawyer and expert in diversity, equity, and inclusion (DEI). In my
9 current position, I teach individuals in organizations about the principles of
10 DEI. I also provide consulting services to help organizations advance DEI in
11 the workplace.

12
13 **Q: How long have you been providing consulting and training
14 regarding diversity, equity, and inclusion?**

15 A: 22 years – since 2001. I have spent the last 10 years as a consultant
16 providing services to organizations in a wide variety of sectors and
17 industries. From 2007-2013, I founded and led a legal nonprofit
18 organization called the Center for Legal Inclusiveness, which was focused
19 on educating and supporting legal employers in their efforts to advance
20 DEI. From 2001-2007, I was a career consultant at the law school in Denver
21 focused on recruiting issues impacting diverse law students and assisting
22 legal employers with recruiting diverse students by establishing various
23 diversity-related recruitment programs. While I was largely focused on the
24 legal industry in my early years in DEI, the principles and my background
25 in DEI are fully translatable to all other sectors and industries.

1 **Q: Would you please summarize your educational and professional**
2 **background?**

3 A: I am a lawyer by trade. I graduated from the University of Colorado Law
4 School in 1985. I earned bachelor degrees in Economics and Political Science
5 from the University of Denver in 1982.

6 At the outset of my legal career, I was a federal civil rights prosecutor at
7 the US Department of Justice (1986-1990). After leaving the federal
8 government, I began to focus my attention on DEI in the workplace. While
9 working as a career consultant at the University of Denver law school, I was
10 mostly focused on the “D” in the DEI equation – which meant recruiting. I
11 helped establish several diversity recruiting programs that benefitted
12 diverse law students and the legal employers seeking to hire them.

13 In 2007, after learning about the new paradigm of inclusion, I founded
14 the Center for Legal Inclusiveness and developed programs and training for
15 member organizations (law firms, corporate law departments, and
16 government legal offices) regarding how to add the “I” to traditional
17 diversity efforts.

18 In 2013, I founded my own consulting company and have educated tens
19 of thousands of people in non-profits, government agencies, and companies
20 across the U.S. and Canada. I have also provided consulting services for
21 many of my clients to assist them in their efforts to advance DEI.

22 My bio and list of speaking engagements are attached as Exhibit KN-2.
23
24
25
26

1 **Q: Please provide an overview of your clientele and the scope and**
2 **breadth of the clients that you work with in your practice.**

3 A: In the past six years, as a private consultant, I have conducted training and
4 consulting services for 150 different organizations. I have done extensive
5 work with legal organizations – law firms, corporate law departments, and
6 government law departments. I have also conducted training for companies
7 such as Microsoft, Kaiser Permanente, Dow Corning, BASF, Kuraray, Janus
8 Henderson Investors, and Procter & Gamble. Not-for-profit organizations
9 also seek my services. I have worked with government agencies such as
10 WAPA (US Department of Energy), FEMA Region VIII, EPA Region VIII,
11 the Colorado Attorney General’s Office, and nonprofits such as the
12 American Mountain Guide Association, the National Dance Institute-New
13 Mexico and the New Mexico Museum Foundation.

14
15 **Q: Please describe any presentations, articles, or other contributions**
16 **you have made to your field of expertise that are noteworthy.**

17 A: I have written a book – *Going All-In on Diversity & Inclusion: The Law*
18 *Firm Leader’s Playbook*. I have also written several articles regarding DEI
19 that have been published by various organizations (all of these articles are
20 available on the home page of my website –

21 www.kathleennaltyconsulting.com).

- 22 • “Outsmart Your Unconscious Biases”, *Wealth Strategies Journal* (Sept.
23 2021)
- 24 • “Walk the Talk on Diversity, Equity & Inclusion”, *For the Defense* (Sept.
25 2020)
- 26 • “Get Over the ‘Why’ Hurdle”, *For the Defense* (Sept. 2018)

- 1 • “Do Law Firm Communications about Diversity and Inclusion Efforts
2 Affect Retention of Attorneys in Underrepresented Groups?”, A.B.A.,
3 Litig. Section, Diversity & Inclusion, (May 2017)
- 4 • “Interrupt Unconscious Bias Through Inclusion Nudges”, For the
5 Defense (May 2017)
- 6 • “Strategies for Confronting Unconscious Bias”, The Fed. Law. (Jan./Feb.
7 2017)
- 8 • “Strategies for Confronting Unconscious Bias”, The Colo. Law. 45 (May
9 2016)

11 II. PURPOSE AND SUMMARY OF TESTIMONY

13 **Q: What is the purpose of your testimony?**

14 A: My testimony is limited in its scope to address issues of diversity, equity,
15 and inclusion that have arisen in the case with respect to state pilotage in
16 the State of Washington.

18 **Q: Can you please summarize your testimony?**

19 A: I have worked extensively with organizations of all kinds seeking to advance
20 DEI by providing the education, tools, and strategies they need to add
21 inclusiveness and equity to their traditional diversity efforts, which are
22 mostly focused on recruiting. Simply focusing on recruiting people from
23 underrepresented groups does not work and never has because
24 organizations lacking in DEI fail to attract people in underrepresented

1 groups in the first instance. Research by Glassdoor¹ and ZipRecruiter²
2 demonstrates that large percentages of people – even in majority groups –
3 value DEI in the workplace and they are actively seeking it when job-
4 hunting. In one recent study³ (and article⁴), potential jobseekers stated they
5 would rather work for less money than work for a company that lagged on
6 DEI. Additionally, a study⁵ by the Corporate Executive Board found that
7 diverse jobseekers have greater trust for personal sources of information in
8 the recruiting process (referrals from diverse employees, in-person campus
9 recruiting, teachers and career advisers, family and friends, and employee
10 resource group contacts) and less trust for information sources that
11 organizations use most in the recruiting process (diversity-focused job
12 boards, diversity associations, print media advertising, search firms, and
13 social media such as LinkedIn, Twitter and Facebook). The reason diverse
14 jobseekers are looking to more personal avenues is so that they can find out
15 if the organization is really inclusive or not. For organizations that are not
16 diverse and lack any real indicia of having worked to advance DEI, the
17 threshold for applying would likely be high. Merely increasing compensation
18 without addressing the other factors that jobseekers and, especially, diverse

19 ¹ Glassdoor, *Diversity & Inclusion Workplace Survey* (Sept. 2020), [https://b2b-](https://b2b-assets.glassdoor.com/glassdoor-diversity-inclusion-workplace-survey.pdf)
20 [assets.glassdoor.com/glassdoor-diversity-inclusion-workplace-survey.pdf](https://b2b-assets.glassdoor.com/glassdoor-diversity-inclusion-workplace-survey.pdf).

21 ² Julia Pollack, *Job Seekers Value Diversity When Looking for a Job, Cite Discrimination as Reason to Quit*, ZipRecruiter (Nov. 26, 2019), [https://www.ziprecruiter.com/blog/job-seekers-value-diversity-](https://www.ziprecruiter.com/blog/job-seekers-value-diversity-when-looking-for-a-job/)
22 [when-looking-for-a-job/](https://www.ziprecruiter.com/blog/job-seekers-value-diversity-when-looking-for-a-job/).

23 ³ Jung Ho Choi, et al., *Do Jobseekers Value Diversity Information? Evidence from a Field Experiment*, Stan. Graduate Sch. of Bus. (Feb. 2022, Working Paper No. 4010),
24 [https://www.gsb.stanford.edu/faculty-research/working-papers/do-jobseekers-value-diversity-](https://www.gsb.stanford.edu/faculty-research/working-papers/do-jobseekers-value-diversity-information-evidence-field-experiment)
25 [information-evidence-field-experiment](https://www.gsb.stanford.edu/faculty-research/working-papers/do-jobseekers-value-diversity-information-evidence-field-experiment).

26 ⁴ Maggie Overfelt, *Hey, Employers: Job Hunters Really Want to See Your Diversity Data*, Stan. Graduate Sch. of Bus. (Mar. 21, 2022), [https://www.gsb.stanford.edu/insights/hey-employers-job-](https://www.gsb.stanford.edu/insights/hey-employers-job-hunters-really-want-see-your-diversity-data)
27 [hunters-really-want-see-your-diversity-data](https://www.gsb.stanford.edu/insights/hey-employers-job-hunters-really-want-see-your-diversity-data).

⁵ Corp. Exec. Board, *Creating Competitive Advantage Through Workforce Diversity* (2012),
28 [http://s3.amazonaws.com/texasports_com/documents/2014/11/24/corporate_leadership_council_re-](http://s3.amazonaws.com/texasports_com/documents/2014/11/24/corporate_leadership_council_report.pdf)
29 [port.pdf](http://s3.amazonaws.com/texasports_com/documents/2014/11/24/corporate_leadership_council_report.pdf).

1 jobseekers are looking for, would seem to be only minimally impactful as a
2 strategy. And I have never seen compensation listed as a “go to” strategy for
3 increasing diversity, especially as a stand-alone strategy.
4

5 **III. COMMON STRATEGIES FOR ADDRESSING SYSTEMIC**
6 **DIVERSITY CHALLENGES**
7

8 **Q: Please describe some of the ways and strategies in your experience**
9 **which have helped individual organizations address larger and**
10 **systemic diversity challenges.**

11 **A: 1. DEI Leadership Training:** The first step to advancing DEI is to
12 educate leaders of the organization. In the past, leaders have delegated all
13 responsibility for DEI to recruiters, thinking that recruiting diverse
14 employees is the answer. If the organization does not have an inclusive
15 workplace environment, however, any investment in diversity hiring will
16 likely be lost since a lack of inclusion leads to higher attrition rates for
17 people in underrepresented groups. [Individual pilots do not work in one
18 organizational setting on a regular basis but the association itself can create
19 an environment that is either fully welcoming of pilots from all backgrounds
20 or is exclusionary, which could lead to attrition.]

21 **2. DEI Action Planning by Leaders:** Once leaders are educated and
22 provided with tools that can be used to add inclusion and equity to
23 traditional diversity efforts (e.g., recruiting), they are in a position to decide
24 on next steps for their organization in terms of making systemic changes.
25 For example, I facilitate an action planning session for leaders where they
26 prioritize areas of focus for next steps in advancing DEI.

1 Every organization is different so the priorities will also vary and will
2 dictate the trajectory of the work to change policies, procedures, behaviors,
3 and the culture of the organization. Many organizations also spend time on
4 building the infrastructure to advance DEI as well as embedding DEI in
5 every aspect of the organization. An association would want to examine its
6 policies, how people are selected for leadership, how people are invested in
7 (mentoring, sponsorship, access to influential people in the organization,
8 feedback, access to opportunities, etc.).

9 **3. Additional Educational Opportunities:** At some point,
10 organizations usually provide foundational training for the rest of the
11 organization and more advanced training for everyone, including leaders. In
12 my experience it is important to provide on-going education and tools on a
13 wide variety of DEI-related topics to cement the commitment to
14 improvement and to provide continuous focus on this complex workplace
15 topic. I provide workshops on such topics as: the Why of DEI, Inclusive
16 Intelligence, Unconscious Bias, Proximity Biases in a Hybrid Workplace,
17 Creating a Gender Smart Organization, Micro-Inequities & Aggressions,
18 Inclusive Recruiting, Inclusive Meetings, Allies and Accomplices, Inclusive
19 Language, and Generational Diversity.

20 **4. Audits and Surveys:** Most organizations seeking to advance DEI will
21 conduct audits and surveys to gather additional information to inform
22 decision-making about next steps. Leaders can get started by identifying
23 initial priorities for implementing key strategies and addressing hidden
24 barriers but they must make the process inclusive by soliciting feedback
25 from everyone else in the organization; they must also audit their processes
26 to determine whether bias exists in those processes. Although I do not

1 conduct organizational audits or surveys, I have assisted clients in
2 constructing their own or can make recommendations for companies that do
3 conduct them.

4 **5. Ongoing Consulting:** I have found that even the most committed
5 champions for advancing DEI simply do not have the formal education or
6 experience to pursue their DEI goals on their own. It really does take an
7 expert assisting them on a regular basis, which is why so many
8 organizations are now hiring Chief DEI Officers who do have extensive
9 knowledge and experience in DEI. I provide that expertise for organizations
10 that have not yet reached the point where they can hire their own full-time
11 expert. I work closely with leaders, DEI committees, and task forces as they
12 begin to make systemic changes in the organization and build the
13 infrastructure for a successful DEI initiative, consulting and providing
14 advice or resources.

15
16 **Q: Regarding DEI Leadership Training and Action Planning, what are**
17 **some of the most effective ways that organizations can take to**
18 **ensure implementation of this strategy?**

19 A: See the memo attached as Exhibit KN-3 that explains the strategy that I
20 have found works best.

21
22 **Q: Regarding additional educational opportunities, what are some of**
23 **the most effective actions that organizations can take to ensure**
24 **implementation of this strategy?**

25 A: It is best if all-employee training, as well as more advanced training for
26 leaders, occur after leaders are prepared to announce some of their

1 priorities and how changes will be happening in the organization. If all
2 employees know that leadership is serious about DEI and changes are being
3 made, they are more likely to pay close attention to the training.
4

5 **Q: Are mentorship and recruitment important tools for individual**
6 **organizations to use when looking to improve the diversity and**
7 **equity of their ranks in the face of a systemic lack of diversity?**

8 A: Recruitment is the primary way to advance diversity (increase the numbers
9 of people from different social identities in the organization). But
10 recruitment alone has never worked and never will. It is only when an
11 organization adds inclusion that any measure of success in diversifying the
12 organization can be achieved. Inclusion ensures that people from all
13 backgrounds will want to stay; it is about the lived experience people have
14 within the organization and every aspect of the organization is implicated
15 when it comes to inclusion. That's why companies are working to
16 institutionalize inclusiveness in order to create that high-functioning,
17 welcoming workplace where rates of retention, engagement, innovation,
18 productivity, and wellness all increase. Equity is also critically important
19 since it is about fairness and eliminating bias that thrives in organizations –
20 even if that bias is largely unconscious and unintentional.

21 Mentorship is critical to advancing DEI and is one of the 10 common
22 hidden barriers that disproportionately impact people from
23 underrepresented groups. Most organizations that are serious about
24 advancing DEI institute mentoring and, perhaps even more importantly,
25 sponsorship programs.
26

1 Mentorship and recruitment are only two of many strategies that have to
2 be implemented for an organization to advance DEI and make diversity
3 sustainable.

4
5 **Q: How can mentorship and recruitment help to improve diversity and**
6 **inclusiveness in an organization?**

7 A: Recruitment can potentially increase the numbers of employees from
8 underrepresented groups in the short term. An organization will not retain
9 employees from underrepresented groups, however, unless inclusiveness
10 and equity also exist. Recruiting practices will be more successful if they are
11 redesigned to fight bias and incorporate inclusiveness and equity principles.

12 Mentorship has been shown to be critical to retention and advancement,
13 especially for people in underrepresented groups. And sponsorship (a more
14 personal and intense form of mentorship) is actually what is necessary for
15 organizations to diversify their leadership ranks. Research shows that in
16 organizations without formal mentorship and sponsorship programs, people
17 in underrepresented groups are more often left out.

18
19 **Q: Are you familiar with any successful DEI strategies which include a**
20 **focus on a strategy of increasing compensation for the individuals**
21 **currently employed, or in management of, a non-diverse**
22 **organization in the hopes that this general augmentation in pay**
23 **leads to greater diversity amongst their ranks?**

24 A: While compensation is an important lever in attracting and retaining
25 employees, it is not among the key strategies that have been shown in
26 research studies to lead to greater diversity in an organization. And I am

1 not familiar with any research studies showing that increasing
2 compensation among a group that is already in the top ~3% will result in
3 any additional advantage for recruitment or retention of any group, let
4 alone people in underrepresented groups.

5
6 **Q: Are you familiar with any successful practices or strategies in your**
7 **field that are based on the assumption that jobs at organizations**
8 **with less diversity, perhaps overwhelmingly white and male, are**
9 **underpaid to such an extent that they cannot attract a diverse**
10 **candidate pool?**

11 A: No.

12
13 **Q: Are you familiar with any diversity, equity, or inclusion strategies**
14 **in your field that conclude that these issues are likely to resolve**
15 **themselves primarily through changes to compensation?**

16 A: All of the research demonstrates clearly that an organization will never
17 successfully diversify without changing the culture, behaviors, and
18 structures of the organization to incorporate and embed diversity, equity,
19 and inclusion, including interrupting bias. This is particularly true in
20 organizations dominated by people in majority groups. Merely increasing
21 compensation in an organization that is homogenous will not likely have
22 any real impact on how the organization actually recruits if the recruiting
23 process is not inclusive because bias will still affect (or infect) the hiring
24 processes.

25 While social biases of all kinds create inequities in organizations, experts
26 are now pointing to cognitive biases as likely having an even larger impact.

1 One of those cognitive biases is called affinity bias. We all have a tendency
2 to gravitate to, and develop deeper relationships with, people who are a lot
3 more like ourselves – who share similar interests, backgrounds, and social
4 identities (like race, gender, etc.). “Birds of a feather flock together” is a
5 truism that can have an even greater impact in organizations than outright
6 bigotry because most people are completely unaware that they are creating
7 deeper trust relationships with people in their affinity groups and giving
8 those people greater access to opportunities that are critical to career
9 success. Simply investing more in your friends and mini-me’s in the
10 organization leads to the marginalization and exclusion of people who aren’t
11 in your inner circle. Nepotism and favoritism are more conscious forms of
12 affinity bias but the unconscious form goes largely unrecognized and
13 unacknowledged and it is simply devastating in terms of its impact – it
14 leads to largely homogenous organizations, which are not as successful
15 because diversity (not just diversity of thought but social identity diversity)⁶
16 has been shown repeatedly to lead to better decision-making, which leads to
17 better organizational performance.

18
19 **Q: Please explain in your opinion why a strategy of simply paying the**
20 **non-diverse incumbents in an organization higher wages is not a**
21 **conventional approach to addressing these issues and is not likely**
22 **to be effective.**

23 A: If an organization is not inclusive of people in underrepresented groups and
24 there have been no attempts to build equity by interrupting bias in all

25
26

⁶ Katherine W. Phillips, *How Diversity Makes Us Smarter*, Sci. Am. (October 1, 2014),
<https://www.scientificamerican.com/article/how-diversity-makes-us-smarter/>.

1 processes (including recruiting), people in underrepresented groups will not
2 be attracted to the organization in the first place or stay if they have been
3 hired. People in underrepresented groups look at much more than
4 compensation when evaluating whether to apply for a position. Research by
5 the Corporate Executive Board referenced above shows that people in
6 underrepresented groups conduct job searches much differently than those
7 in majority groups; they seek personal reassurances/references that the
8 organization is a good place to work so they are relying on more personal
9 avenues rather than job postings.⁷ Essentially, they are looking for indicia
10 of inclusiveness and equity in the organization. No amount of money is
11 worth the experience of working for an organization where they will feel
12 marginalized and excluded.

13
14 **IV. APPLICATION OF THESE STRATEGIES TO THE SYSTEMIC LACK**
15 **OF DIVERSITY AMONGST PILOTAGE GROUPS**

16 **Q: In preparation for this testimony, have you reviewed the 2018**
17 **“Washington State Pilotage Final Report and Recommendations”**
18 **prepared for the Washington State Joint Transportation Committee**
19 **(“JTC Report”) and available at**
20 **[https://leg.wa.gov/JTC/Documents/Studies/Pilotage/PilotageFinalRe](https://leg.wa.gov/JTC/Documents/Studies/Pilotage/PilotageFinalReport_Jan2018.pdf)**
21 **port_Jan2018.pdf?**

22 **A:** Yes, and a copy of this report is attached as Exhibit KN-4 to this testimony.

23
24
25 _____
26 ⁷ Corp. Exec. Board, *Creating Competitive Advantage Through Workforce Diversity* (2012),
[http://s3.amazonaws.com/texasports_com/documents/2014/11/24/corporate_leadership_council_re
ort.pdf](http://s3.amazonaws.com/texasports_com/documents/2014/11/24/corporate_leadership_council_report.pdf).

1 **Q: Specifically, have you reviewed the analysis and recommendations**
2 **in this 2018 JTC Report regarding the need to address the lack of**
3 **diversity within the marine pilotage profession?**

4 A: Yes.

5

6 **Q: In preparation for this testimony, have you reviewed both the “2018**
7 **Annual Report of the Washington State Board of Pilotage**
8 **Commissioners” and the “2021 Annual Report of the Washington**
9 **State Board of Pilotage Commissioners” available at**
10 **<https://pilotage.wa.gov/annualreports.html>?**

11 A: Yes, and a copy of these reports are attached as Exhibit KN-5 to this
12 testimony.

13

14 **Q: Specifically, have you reviewed the sections of these Annual**
15 **Reports regarding its approach to improving diversity and**
16 **inclusion amongst Washington State Pilots?**

17 A: Yes.

18

19 **Q: Do you find that the descriptions of the lack of diversity amongst**
20 **the national and regional state pilotage licensees and potential**
21 **trainee candidates to establish a prima facie case of a systemic lack**
22 **of diversity in this occupation?**

23 A: Representation that diverges from the general population is generally
24 viewed as an indicator that the industry, sector, or organization is not
25 mature in terms of DEI.

26

1 **Q: Do you find the recommendations of the 2018 JTC Report to**
2 **improve diversity amongst pilots licensed by the state of**
3 **Washington to be reasonably consistent with any of the systemic**
4 **strategies that you identified earlier in your testimony?**

5 A: I think that the recommendations are only somewhat sufficient. It is hard to
6 comment fully without knowing what has been done to implement any of
7 the recommendations since they were proposed in 2018. If the only actions
8 are those appearing in the 2021 BPC Annual Report, not much has
9 happened. The debiasing efforts in 2016 were significant but it is worth
10 noting that they did not lead to any real diversification of the pilot ranks.

11 It is important to put infrastructure in place; so Recommendation #1
12 regarding data-tracking is a good place to start. But what will be done with
13 that data? If it is collected and not utilized, then not much will happen in
14 terms of systemic changes.

15 De-biasing all processes is critical but there is no specific detail in
16 Recommendation #2 about how or when this will be accomplished.
17 Recommendation #3 is also laudatory, and it will be interesting to see if
18 anything has happened with respect to this recommendation and whether
19 there are any specifics about inclusiveness, as opposed to just diversity.

1 **Q: Do you find the description of the 2018 Diversity Action Plan by the**
2 **state Board of Pilotage Commissioners and the actions taken by the**
3 **state Board in 2021 to improve diversity amongst licensed pilots to**
4 **be reasonably consistent with any of the systemic strategies that**
5 **you identified earlier in your testimony?**

6 A: The 2018 report identifies six goals that the Joint Diversity Committee is
7 working to accomplish. The goals listed are laudatory and generally
8 consistent with advancing DEI. However, many of the descriptions of
9 actions are general and it is unclear if many of the actions were actually
10 implemented, or what measurable outcomes ensued. It is difficult to
11 comment on progress in advancing DEI, including whether systemic
12 changes have been made, based on this report.

13 The 2021 report appears to document only two actions – the Train the
14 Trainer course and a webinar attended by 80 people. If that’s all that has
15 been accomplished, then change will be very slow to happen. Only one of
16 these actions is systemic in nature – the Train the Trainer course and its
17 furtherance of the de-biasing efforts when it comes to selection processes.

18
19 **Q: Please identify the recommendations of the JTC and actions taken**
20 **and planned by the BPC which are consistent with the strategies**
21 **you’ve outlined above?**

22 A: It is difficult to comment on this. The BPC 2021 report doesn’t even mention
23 the six DEI-related goals outlined in the 2018 report. It is unclear whether
24 those six goals are still in place and whether any further actions have been
25 taken since 2018 to try to meet those goals.

1 **Q: Are there additional strategies that you've outlined above that**
2 **could be taken and planned for future action by the BPC, and if so,**
3 **please describe?**

4 A: It is hard to know how to answer this question without greater knowledge,
5 beyond the written materials I have examined. When I engage
6 organizations in action planning, I have them prioritize two key strategies
7 to implement and two hidden barriers to address. This is explained further
8 in the attached memo. I never give prescriptive answers to clients; I prefer
9 to engage leaders in problem-solving and action planning themselves so that
10 they "own" it which will increase the chances any solutions/actions will be
11 taken.

12

13 **Q: In your opinion, are there any recommendations of the JTC Report**
14 **or commitments by the BPC in the execution of its diversity**
15 **activities that should be executed in a manner which depends on**
16 **the level of compensation paid to an existing individual Puget**
17 **Sound pilot licensee?**

18 A: No – none depend on compensation.

19

20 **Q: Should the commitment of the State to any of these**
21 **recommendations or actions be dependent on a specific rate of**
22 **compensation for any existing individual Puget Sound pilot**
23 **licensee?**

24 A: I don't believe it is necessary to increase compensation to effectuate changes
25 or that an increase in compensation will increase or advance DEI.

26

1 **Q: Should the commitment of the State to any of these**
2 **recommendations or actions be dependent on the tariff set by the**
3 **Utilities and Transportation Commission in this proceeding?**

4 A: No – the State should have an independent basis for advancing DEI.

5

6 **Q: Why should the State’s efforts to meet its diversity, equity and**
7 **inclusion goals proceed forward completely independent of the**
8 **earnings, compensation and tariff outcomes that impact individual**
9 **Puget Sound pilots?**

10 A: There are multiple reasons why the State should seek to advance DEI
11 among all agencies/groups/organizations that it has control over:

12 1) Advancing DEI is always the right thing to do (equity) in our ever-
13 increasingly diverse society. It is morally and ethically wrong to create
14 an environment where some people are explicitly or even implicitly told
15 they are not allowed or welcome. State officials must stand up for
16 advancing diversity, equity and inclusion since it is an inherent part of
17 their jobs, whether elected or not.

18 2) Advancing DEI leads to better decision-making, performance,
19 productivity, retention, innovation, and engagement (business-related
20 reasons), which means that organization and individual members will
21 perform better, and

22 3) Increasing diversity, ensuring equity, and fostering inclusion undergirds
23 the foundation of a democracy, which is a primary responsibility of the
24 State.

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V. CONCLUSION

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Q: Does this conclude your testimony?

A: Yes