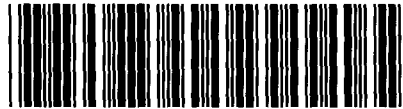


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PUBLIC UTILITY COMMISSION
FILE NO. 01217

December 27, 2017

Texas Public Utility Commission
William B. Travis Bldg.
1701 N. Congress Avenue
7th Floor
Austin, TX 78701

Dear Commissioner:

Please find attached four copies of the 2017 Annual Texas Workforce Diversity report, Project 30238 and 30240 for Grande Communications Network, LLC.

Please contact me at (609) 681-2184 should you have any questions.

Sincerely,

Joseph Kahl
Sr. Director, Regulatory & External Affairs

Att.
ml

c.c. Governor's Office
Lt. Governor's Office
TX House of Representatives
Rep. Trey Martinez-Fischer – Mexican American Legislative Caucus
The Honorable Sylvester Turner – TX Legislative Black Caucus
The Honorable Carlos Uresti – TX Senate Hispanic Caucus

2896

WORKFORCE AND SUPPLIER DIVERSITY FORM
WORKFORCE DIVERSITY

Occupational Categories	NUMBER OF TEXAS FULL-TIME EMPLOYEES FOR REPORTING YEAR														
	Combined Total	Company Totals		Caucasian		African American		Hispanic		Asian		American Indian		Two Or More Races	
		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Officials and Managers	111	71	40	56	26	2	2	12	11	0	0	1	0	0	1
Professionals	35	27	8	21	5	0	1	4	2	1	0	0	0	1	0
Technicians	42	36	6	18	3	2	1	13	2	0	0	0	0	3	0
Sales Workers	80	54	26	24	16	5	1	23	8	0	0	0	0	2	1
Office and Clerical	207	84	123	38	51	9	8	31	55	3	1	0	2	3	6
Craft Workers (Skilled)	175	171	4	70	1	17	0	78	3	1	0	0	0	5	0
Operatives (Semi-skilled)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Laborers (Unskilled)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Workers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Previous Year Totals	683	480	203	247	103	37	15	172	77	9	0	2	2	13	6
This Year Totals	650	443	207	227	102	35	13	161	81	5	1	1	2	14	8

NOTE: Double-click on embedded Excel chart to open. Click on a cell or use arrow keys to select an occupational category and ethnic group to update workforce diversity numbers. Do not enter information in Combined Total and Company Totals columns or the This Year Totals row as these will update automatically. Cells left blank will be counted as zero. Click anywhere outside of chart to exit.

WORKFORCE AND SUPPLIER DIVERSITY FORM
HUB/SMALL BUSINESS PROCUREMENT AS A PERCENTAGE OF TOTAL COMPANY PROCUREMENT

Actual % = [Total HUB(1) procurement + Total Small Business(2) procurement]/Total Company procurement	Actual % for Previous FY	Actual % for Current FY	Percentage Change
Construction Contracts (3)			%
Commodities Contracts (4)			%
Other Services (5)			%
Professional Services Contracts (6)			%
Major Equipment (7)			%
Other (8)			%

(1) **HUB** -- Pursuant to Texas Government Code § 481.191(4), HUB means: (A) a corporation formed for the purpose of making a profit in which at least 51 percent of all classes of the shares of stock or other equitable securities is owned by one or more persons who are members of certain groups, including black Americans, Hispanic Americans, women, Asian Pacific Americans, and American Indians; (B) a sole proprietorship formed for the purpose of making a profit that is 100 percent owned, operated, and controlled by a person described by Paragraph (A) of this subdivision; (C) a partnership formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by Paragraph (A) of this subdivision. Those persons must have proportionate interest and demonstrate active participation in the control, operation, and management of the partnership's affairs; or (D) a joint venture in which each entity in the joint venture is a historically underutilized business under this subdivision.

(2) **Small Business** -- Pursuant to Texas Government Code § 481.191(6), Small Business means a corporation, partnership, sole proprietorship, or other legal entity that: (A) is domiciled in this state; (B) is formed to make a profit; (C) is independently owned and operated; and (D) employs fewer than 100 full-time employees.

(3) **Construction** -- Construction done by general contractors and special trade contractors which includes new work, additions, alterations, reconstruction, installations, repairs, remodeling, renovating, and repair of office buildings. Heavy construction other than buildings such as pipelines, communication and power lines, sewer and water mains, asphalt and concrete construction of roads, trenching, cable laying, conduit construction, land clearing and leveling.

(4) **Commodities** -- All materials, goods or tangibles purchased to conduct business, not including fuel or purchased power contracts and major equipment purchases and rentals.

(5) **Others Services** -- All specialty work, special circumstances that required contract labor, special consultants or other non-defined services. Examples include audio/visual, staffing services, landscaping, forestry, tree trimming, art and decorative services, janitorial, travel/lodging, automotive repair, and photography.

(6) **Professional Services** -- Contracted professional services which include legal, consulting, health, engineering, accounting, advertising/marketing, architectural, real estate, computer services, research and analysis, education/training, insurance, surveying services, weather services, environmental, financial, etc.

(7) **Major Equipment** -- Includes all major equipment purchases and rentals including but not limited to transmission and distribution equipment, power plant equipment, substation equipment, heavy construction equipment, fleet requirements, etc.

(8) **Other** -- Any commodity or service not covered by the above categories.

WORKFORCE AND SUPPLIER DIVERSITY FORM COMPANY INITIATIVES

(1) Describe the specific initiatives, programs, and activities undertaken under the plan during the preceding year:

Grande ensures that its policies and programs support developing a diverse organization. In 2016 the company implemented an advanced leadership development class that focused on leadership challenges. This training program not only was delivered to leaders as an opportunity to develop their own personal leadership skills, but also to continue to support the company's policy in regards to hiring and developing a diverse organization.

Grande utilizes diverse sources for recruiting new employees including newspaper ads, employee referrals, business associates, community groups, television ads, and other sources that are representative of a diverse minority group. We post all our positions with the Texas Workforce Commissions, which runs local workforce development centers where applicants can visit, view, and apply for positions within the company. We utilize sourcing to ensure that we have a broad outreach including local community groups and running recruiting ads on our programming to reach a diverse population. We participate in job fairs within our local communities including working with college/university campuses in our markets that represent a diverse student population. We include the following statement on our careers website and external postings of positions: "Grande proudly embraces diversity and is an Equal Opportunity Employer!".

We also promote development through our educational assistance program that provides financial assistance to those employees who are working on a degree program through an accredited university or college. In addition, employees and their managers participate in our Talent Management Program, which focuses on employee development and goal setting to ensure expectations are clearly defined and goals for development are established. Technicians within the company participate in an external educational opportunity through NCTI which provides a learning foundation for employees to continue to develop and promote within the organization. Our front line progression plans offer a roadmap for employees on what skills and metrics are required to advance within their job classification.

New Hires of the company participate in an Everything Grande training course that focuses on the employee experience, development, policies and procedures (including discrimination and harassment) along with the Talent Management Program. Employee's throughout the company travel to our San Marcos headquarters for this training class.

Grande's mission includes serving our communities. Our outreach initiatives including working with local organizations to support services, funding, awareness, and participation. We actively participate in our communities including sponsorships and attendance at various non-profit and minority events. We have dedicated community relations representatives that work with each of our local markets to ensure we are actively supporting the diverse communities in which we serve.

Grande works hard to create an environment that supports and promotes career development and growth opportunities within our existing diverse employee base. All managers are trained on the company's EEO policy regarding placement and promotion decisions must be considered without discrimination.

WORKFORCE AND SUPPLIER DIVERSITY FORM COMPANY INITIATIVES

(2) Make an assessment of the success of each of the specific initiatives, programs, and activities listed above:

Grande recruited and hired 108 new employees during this reporting year. Of these 108 hires, over 52% were representing a minority group, an increase over the 2015 reporting period of minority hiring of 49%. We increased our overall employee representation in minority groups from the previous years filing including Hispanic, Two or more races, and Females. This was accomplished through our continued focus on community outreach initiatives and diversity in our areas of recruiting. Our recruiting team has worked with our local universities and colleges to continue to build upon our relationship with them for hiring needs. Universities in our service areas including Texas State University, University of Texas at Austin, Baylor University, University of Incarnate Word, and more. These universities represent a diverse student population.

(3) Describe the initiatives, programs, and activities the utility will pursue during the next year to increase the diversity of its workforce and contracting opportunities for small and historically underutilized businesses:

Grande will be implementing a new recruiting software program in 2018 that will facilitate our continued goal for outreach initiatives and diverse recruiting strategies. We will continue to focus on ensuring we have a diverse population through continued education of our leadership team, focusing on diverse recruiting initiatives and advancement opportunities. We periodically reviewing our sourcing options to ensure our open positions are posted on various recruiting sources to ensure we are reaching a diverse population of candidates in our recruiting initiatives in addition to posting certain positions internally within the organization to improve advancement opportunities for our existing employee base. Our community relations initiatives will continue in our local markets, focusing on working with non-profit and other outreach organizations. In addition, we will continue our emphasis on employee development and working with our employees to promote from within and provide additional learning and training opportunities for their growth and development.

(4) State the specific progress made under the plan filed by the utility:

1. Maintain a commitment to employ a diverse workforce with emphasis placed on recruitment.

Grande continues to focus its recruiting efforts on ensuring we are reaching a diverse population. We utilize television advertisement for posting of our open positions and run general recruiting spots to utilize various programmers that include diverse populations to promote our openings including, but not limited to: OWN, BET, Hallmark, Lifetime, Oxygen, Bravo, Food Network, Lifetime Movie Network, HGTV, ESPN, ESPN2, FX, MTV, MTV2, VH1, NFL Network, USA, Spike, TLC, Entertainment TV, Women's Entertainment, and others. We continue to meet with our local universities to focus on building our relationships for recruitment sourcing. These universities have a diversified student enrollment and will continue to be a source that we focus on building. We post

WORKFORCE AND SUPPLIER DIVERSITY FORM COMPANY INITIATIVES

all of our external hiring positions with the Texas Workforce Commission and utilize widely accessible and diverse source of online recruiting platforms, including our mygrande.com website. We have utilized minority focused community events to refer to Grande employment opportunities by promoting our career page on our website. We participate in local job fairs in our markets that advertise through diverse recruiting sites including local chambers, newspapers, radio, internet, and professional/trade associations.

2. Encourage management to focus on employee retention.

Employee retention continues to be a focus with our management team. We report department level attrition on a monthly basis and conduct monthly meetings evaluating the churn within a department to identify reasons for leaving. Our goal is to improve employee engagement within the organization to create an environment where employee's are actively engaged in their workplace. In addition to our existing programs for growth and development, we conduct an annual employee engagement survey every year where employees provide feedback to the organization on the work environment we are creating. This survey is followed up with focus group meetings with employees to gather additional feedback that can be used for leadership and company goals. In certain high churn areas we implemented goals and targets in improving voluntary attrition for the management team that is reflected in their bonus and performance reviews.

3. Develop Internal Candidates for Promotion.

Grande has a strategic priority on developing internal candidates for positions within the organization. Progression plans have been developed for certain areas in the organization that allow employees to clearly understand the criteria to moving to the next level. The company provides a formal training programs for a subset of these progression plans. An example is our training for technicians that is designed to enable employees to develop and learn new skills that are required for advancement and promotions within the organization and industry. Technical training includes, but is not limited to; basic cable, cable installation tools, SLM and Signal acquisition, bonding and grounding, aerial/underground installation, termination devices and CPE, testing and troubleshooting, residential construction and internal wiring, personal protective equipment, safety, configuring NID's, running drops, etc. Advancement opportunities are available and first offered to internal candidates for progression to service and network technicians. In addition, employee's are encouraged to apply for promotional opportunities across departments within the organization. Open positions are posted on Grande's career page, which is accessible by all employees as well as external applicants. When internal only positions become available, employees receive an email notice of such opening, including the job requirements and deadlines to apply.

4. Workforce Training Opportunities

Grande continues to focus on developing employees to provide for career progression and recruiting from within the organization. The progression plans also allow an opportunity for the leadership team to work with employees on exactly what they need to work on to move to the next level. This allows for clear expectations and helps support

WORKFORCE AND SUPPLIER DIVERSITY FORM COMPANY INITIATIVES

an overall environment of growth and development. In addition, employees are encouraged to apply for promotional opportunities across departments within the organization. We have several training opportunities within the organization for customer service, product training, sales, technical, leadership, and more. We have dedicated trainers as well as individuals who are responsible for training as part of their job duties. Departments have an external training budget that can be used for continuing education, progression training requirements, and other external training opportunities for employees. In addition, the company provides financial assistance for employees obtaining a degree through an accredited university via its educational assistance program.

As part of our annual talent management program (TMP), employees work with their management team on establishing goals in different objectives within the organization. Employee goals are broken into 4 company categories, including one specifically for people development. Employees and leadership are encouraged to identify goals that can be completed to develop their knowledge base and skill sets. Some examples of past goals have included projects that improve and increase employee skill sets and give them an opportunity to work across departments; managers improving employee engagement within their organization by focusing on developing leadership skills; job shadowing within other departments/positions, etc. Additionally, Grande provides on the job training for skill level advancement once an employee has been accepted into a new position.

We provide training through several avenues including online, in person, and via webinars. The company implemented a new learning management system in 2017 which not only allows assignment of training courses, but also provides an extensive library of training materials available to employees at any time. These initiatives allow our workforce to attend training sessions through several different means allowing us to reach a broader base of employees.

5. Build a reputation for being diversity friendly.

Grande focuses on building our brand within the community. This includes ensuring that our marketing collateral focuses on representing the same diversity that can be found in our markets. Our print, commercials, and other advertising is designed to ensure that we represent a diversity friendly reputation. We also employ a Value System that the company culture is built around. The Value System calls for all individuals to act with integrity and respect and to promote personal growth and development. We actively participate in community events within the communities we serve including diverse organizations.

6. Evaluate the diversity plan annually.

We assess our diversity plan on an annual basis and analyze our data to ensure that we are focusing on diversity in our programs and processes. This includes sourcing statistics, employee churn, and diversity initiatives, among others. We are continually

**WORKFORCE AND SUPPLIER DIVERSITY FORM
COMPANY INITIATIVES**

assessing our community outreach, recruiting, marketing and employee initiatives as they relate to diversity as well as our business needs.