

Evaluation of the HACU National Internship Program: Increasing the Number of Hispanics in the Federal Workforce

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Abstract

This quasi-experiment sets out to evaluate the use of the Hispanic Association of Colleges and Universities (HACU) National Internship Program (HNIP) as an effective means for increasing the number of Hispanics in the federal workforce. In 2000, Executive Order 13171, "Hispanics in the Federal Government," declared Hispanics the most under-represented minority in the federal government, and identified HNIP as a tool for recruitment. This study tests for a positive relationship between the percentage of HACU interns and the percentage of Hispanics within each of the 17 executive branch agencies from 1997 through 2001. The date of issuance for Executive Order 13171 gives this study its point of interruption for the multiple comparison group interrupted time series research design. The findings of this study suggest that HNIP is effective at increasing the number of Hispanics in the Department of the Defense, the agency with the greatest Hispanic under-representation.

Introduction

Hispanic under-representation in the federal government is a problem that poses a great challenge to all federal agencies. This problem is becoming increasingly important as the Hispanic population continues to grow and remains the largest minority group in the United States. Hispanic representation is severely deficient at 6.9 percent of the federal workforce, in comparison to the 12.2 percent representation in the civilian workforce (Hispanic, 2003). Hispanic representation in the federal workforce has hovered within a few tenths of a percentage point of a 1.6 percent increase from 1990 to 2000 (Barr, 2003).

There is a concern that the number of Hispanics in the federal workforce has not been rising at a sufficient pace to achieve parity with the number of Hispanics employed in the civilian labor force (Barr, 2003). There is also a concern that there is a deficiency in the number of Hispanics in the higher general schedule pay levels (Mancias, 1998). It is becoming increasingly difficult to recruit talented Hispanic college graduates away from the better paying private industry jobs (OPM, 2003). This study will focus on the efforts to increase and retain the number of Hispanic professionals within the federal government.

There have been numerous Office of Personnel Management (OPM)-driven initiatives to increase Hispanic representation in the federal government since 1994. This study is focused around the implementation of the OPM "Hispanic Initiative" Nine-Point Plan that was mandated by Executive Order 13171, which was signed by President Clinton on October 12, 2000. The date of issuance gives this study its point of interruption for the multiple comparison group interrupted time series research design. The executive order mandates that all the federal agencies implement the elements of the Nine-Point Plan, which include some type of Hispanic employment recruitment and retention program within 45 days of the signing. Indicating a well-respected reputation as a Hispanic recruitment tool, the Hispanic Association of Colleges and Universities (HACU) National Internship Program is listed as element number four in the Nine-Point Plan. The HACU National Internship Program (HNIP) is a young organization dedicated to promoting the professional development of Hispanic college students and graduates.

This quasi-experiment sets out to evaluate the use of HNIP as an effective means of increasing the number of Hispanics in the federal workforce. This study performs an evaluation of the use of HNIP to increase the number of Hispanics in the 17 major executive branch agencies, over the span of five years, from 1997 through 2001. It measures the rate of increase in Hispanic employment within each agency for those five years and regresses it with a measure of HACU participation for each agency. The experiment also includes a control variable measuring the General Schedule (GS) pay rate of the 17

executive agencies that identifies the rate at which Hispanics are being promoted or hired into the professional ranks of the federal government. This quasi-experiment creates a snapshot of the short lifetime of the HACU National Internship Program (HNIP) in its quest to increase the number of Hispanic professionals in the federal workforce.

The HACU National Internship Program – (HACU)

HNIP provides federal agencies with a recruitment tool to bring Hispanic college students to work for the federal government. Since its birth in 1992, HNIP has placed hundreds of Hispanic college students from all over the country in internships with federal agencies in Washington, DC, or in agency regional centers all over the country. Students apply to the HNIP program with the hope of coming to Washington, DC to get invaluable work experience and to explore career possibilities within the Federal government. HACU compiles a database of the top applicants and shares this with the federal government to provide them with the opportunity to interview and contract these students for a 10-15 week internship. HACU provides the transportation, housing and a stipend partially from the fee it charges the federal agency to contract the intern, in addition to other HACU funds. This program is unique in that it requires the federal agency to pay a fee to contract the intern to work for their agency.

HACU has also proven to be a successful lobbyist for Hispanics in higher education by gaining the attention of the right people. In 1994, President Clinton signed Executive Order 12900, titled "Hispanics in Higher Education." It named HACU a valuable organization dedicated to increasing the educational attainment levels of Hispanics. This was the genesis for making HNIP one of the points on the OPM Hispanic Initiative Nine-Point Plan. The OPM declared HNIP a recommended tool for recruiting Hispanic students to internships, temporary, part-time and permanent full-time employment. In 2000, President Clinton signed Executive Order 13171, "Hispanics in the Federal Government," declaring Hispanics the most under-represented minority in the federal government, and listed HNIP as a necessary recruitment tool for increasing the number of Hispanics.

Sources of Data

This study uses administrative data from the OPM Annual Fact Book. The OPM compiles demographic data on the Federal workforce on a monthly basis. It publishes an annual fact book that includes statistical tables which provided this study with the main data pool. The data taken from the OPM statistical tables provide the study with the demographic breakdown of total employment and the General Schedule (GS) pay scale for the 17 executive branch agencies.

The decision to do the quasi-experiment using only 17 major executive branch

agencies was due to the fact that there was insufficient data to include all of the independent federal agencies. For this very reason, this study uses the total number of employees, the total number of Hispanics and the total number of Whites to create the percentages for each executive agency, by year. This study only makes conclusions based on the findings of this study of the 17 executive branch agencies.

This study similarly uses the number of Hispanics in the GS pay scale of each agency to compute the percentage of Hispanics employed by GS pay scale ranges representative of the entire comparison group. This study also includes the percentages of White employment to serve as an indicator for the growth trends of Hispanics in comparison with Whites.

This study also uses administrative data provided by the HACU national headquarters. The data acquired from HACU provides the study with the number of students placed for an internship within the federal agency, by year. The data was transformed twice for use in this model. The number of HACU students placed within each agency, by year, was turned into a percentage of the total number of employees. The percentage of HACU interns within the agency was then multiplied by the agency variable dummy to create independent variables that measured the percentage of HACU interns relative to the size of the agency. This gave us the opportunity to view the effectiveness of HNIP within each of the agencies.

Hypothesis

The hypothesis for this study states that there is a positive relationship between the number of HACU interns within each agency and the percentage of Hispanics within each agency. The null hypothesis states that there is no relationship between the percentage of Hispanics within each agency and the percentage of HACU interns within each agency.

$$H_0: B = 0$$

$$H_1: B > 0$$

HACU believes that the only way to successfully increase the number of Hispanics young professionals in the federal workforce is by doing aggressive outreach at Hispanic Serving Institutions (HSI). The greatest barrier to increasing the number of Hispanics in the federal government is doing recruitment in states and at universities where Hispanics attend (Tools, 2003). HACU eliminates that barrier by bringing the Hispanic college students to the federal agencies.

The study will measure the effectiveness of HNIP, by measuring its result within each agency.

The regression equation is: $Y_t = a + Bx_t + \partial Y_r + Z + \mu$

The dependent variable Y will measure the percentage of Hispanics in the federal agency. The independent variable X will measure the percentage of HACU interns per agency multiplied by the agency dummy variable. There will be X variables for each of the 17 agencies, to measure the percentage change in HACU, as a treatment, in relation to the percentage change in Hispanics. The control variables, Z will include year to control for the trend effects encountered when using a time series model. The μ is the stochastic error term.

Research Design

The research design is a quasi-experiment, multiple comparison group interrupted time series design. It will measure the percentage of Hispanics in the federal workforce over the period of five years, for 17 executive branch agencies. The point of interruption occurs in 2000, with the enactment of the Executive Order 13171. The study design allows for the intervention to have different impacts in different Federal agencies. Therefore the study observations for each year will be listed, in order, as follows:

Ob'97	Ob'98	Ob'99	Oa'00	X1	Oa'01	X1=Agriculture
Ob'97	Ob'98	Ob'99	Oa'00	X2	Oa'01	X2=Commerce
Ob'97	Ob'98	Ob'99	Oa'00	X3	Oa'01	X3=Defense
Ob'97	Ob'98	Ob'99	Oa'00	X4	Oa'01	X4=Army
Ob'97	Ob'98	Ob'99	Oa'00	X5	Oa'01	X5=Navy
Ob'97	Ob'98	Ob'99	Oa'00	X6	Oa'01	X6=Energy
Ob'97	Ob'98	Ob'99	Oa'00	X7	Oa'01	X7=Education
Ob'97	Ob'98	Ob'99	Oa'00	X8	Oa'01	X8=HHS
Ob'97	Ob'98	Ob'99	Oa'00	X9	Oa'01	X9=HUD
Ob'97	Ob'98	Ob'99	Oa'00	X10	Oa'01	X10=Interior
Ob'97	Ob'98	Ob'99	Oa'00	X11	Oa'01	X11=Justice
Ob'97	Ob'98	Ob'99	Oa'00	X12	Oa'01	X12=Labor
Ob'97	Ob'98	Ob'99	Oa'00	X13	Oa'01	X13=State
Ob'97	Ob'98	Ob'99	Oa'00	X14	Oa'01	X14=Transportation
Ob'97	Ob'98	Ob'99	Oa'00	X15	Oa'01	X15=Treasury
Ob'97	Ob'98	Ob'99	Oa'00	X16	Oa'01	X16=Veterans
Ob'97	Ob'98	Ob'99	Oa'00	X17	Oa'01	X17=Air*

* Airforce is the reference group

The study uses separate dummy variables for each agency. The dummy variables

are then transformed to create 16 treatment variables to measure the percentage of HACU interns in each agency, excluding the reference group. The variable Year is included to control for trend effects commonly encountered in time series designs. In this study, controlling for the trend effect is important because the number of Hispanics in the federal workforce has been steadily increasing, though slightly, over the past ten years.

The variable %GS13-SES, referring to the GS13 pay level through Senior Executive Service, is included to control for the distribution of highly skilled white-collar jobs within each agency. The variable agency Size is included to control for the differences in the total number of employees within each agency. The variable for percent White is included to control for the number of Whites in the federal workforce.

Regression Results

The adjusted R square of .982 indicates that this regression model explains 98 percent of the variation in the percentage of Hispanics within the federal workforce. The bulk of the agency dummy variables are statistically significant. These coefficients give us an accurate view of the Hispanic representation within each agency relative to the comparison group, holding other factors constant.

The Department of the Defense led the agencies in having the highest percentage of Hispanic under-representation. The coefficient for Department of the Defense indicates that relative to the Department of the Air Force, the Department of the Defense has 18 percent fewer Hispanics, controlling for size, type of job and the percentage of White trend. In this regression, the variable for Department of Defense refers to the Office of the Secretary for the Department of the Defense. The variables for Army, Navy and Air Force also refer to the Office of the Secretary for these agencies.

COEFFICIENTS

Variables	B-Coefficient	t	Sig.
(Constant)	-557.753	-4.849	.000
YEAR	.280	4.877	.000
%WHITE	.052	8.651	.000
SIZE	2.955E-05	3.471	.001
%GS13-SES	-.116	-2.879	.006
HACU-AGRI.	-.051	-.239	.812
HACU-COMM.	-.048	-1.369	.178
HACU-DEFENSE	1.895	2.205	.032
HACU-ARMY	-2.340	-1.624	.111
HACU-NAVY	1.104	.144	.886
HACU-ENERGY	-.029	-.273	.786
HACU-HHS	-.010	-.502	.618
HACU-HUD	-.109	-.242	.810
HACU-INTER.	.016	.147	.884
HACU-LABOR	-.018	-.401	.690
HACU-STATE	4.216	1.886	.065
HACU-TRANS.	.005	.055	.956
HACU-TREAS.	-.131	-.507	.614
HACU-VET.	.034	.290	.773
AGRICULTURE	-.212	-.093	.926
COMMERCE	2.983	2.112	.040
DEFENSE	-18.133	-3.654	.001
ARMY	-3.668	-5.830	.000
NAVY	-3.431	-6.230	.000
EDUCATION	6.922	3.461	.001
ENERGY	6.994	2.981	.005
HHS	1.378	1.049	.300
HUD	8.483	4.573	.000
INTERIOR	.271	.319	.751
JUSTICE	6.479	8.498	.000
LABOR	6.755	4.080	.000
STATE	2.719	1.831	.073
TRANSPORT.	2.723	1.724	.091
TREASURY	1.303	1.609	.114
VETERANS	-6.824	-7.059	.000

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There are also serious deficiencies in the percentage of Hispanics in the Department of the Army, the Department of the Navy and the Department of Veteran's Affairs, which hovers at approximately 4 percent. The Department of the Army and Navy in this study refer to the headquarter offices, such as the Office of the Secretary. The Department of Housing and Urban Development led the comparison group in having the highest percentage of Hispanic representation, with 8.4 percent. The Department of Energy, Education, Labor and Justice all follow with approximately 6.9 percent higher Hispanic representation than the reference agency. This finding indicates that the area where Hispanic representation is hurting the most in is with the agencies that traditionally need highly specialized skills. For example, the Department of Labor, Education and Justice do not traditionally have a problem with diversity because of the culture of their organization and agency mission.

The coefficient Year indicates that every year, there has been a .28 increase in the percentage of Hispanics in the federal workforce. This trend supports the assumption that the increase in the number of Hispanics in the federal workforce has been consistent yet slow overall. The growth is especially slow in comparison to the percent White coefficient. The coefficient percent White indicates that for every percentage increase in the number of Whites there is a .05 percent increase in Hispanic representation.

The coefficient Size indicates that for every additional 100 persons employed, there is a .029 percent increase in the percentage of Hispanics in the comparison group. This reveals that there is a negative relationship between new employees and the percentage of Hispanics. This finding is disconcerting when it implies that every time the federal workforce hires someone new, Hispanic representation declines.

The coefficient %GS13-SES indicates that for every percentage increase in the number of GS 13-SES employees there is .115 percent decrease in the percentage of Hispanics in the comparison group. This reveals that there is not much growth in the percentage of Hispanics relative to size or representation within the higher-grade pay levels. There is a negative relationship between GS 13-SES employment and Hispanic representation.

Study Implications

The Department of Defense findings are the most relevant to this study. The coefficient DEF indicates that for every percent increase in defense employees, The Department of Defense hires 18.1 percent less than the reference group. The research is seeking to evaluate the effectiveness of the HNIP program to increase Hispanic representation within the federal workforce, more specifically targeting increasing the number of Hispanic college graduates into federal agencies. The Department of Defense, which

is composed of mostly all highly skilled and educated employees, is the agency with the most need of correcting its problem of under-representation.

The coefficient result measuring the number of HACU interns within each agency yields positive results in Department of Defense, alone. The coefficient HDEF indicates that for every increase in the percentage of HACU interns contracted with the Department of Defense there is a 1.89 percent increase in the number of Hispanics. This indicates that there is a positive relationship between the number of HACU interns contracted within an agency and the percentage increase in the number of Hispanics in the agency.

HACU National Internship Program Results

The coefficient for the percentage of HACU interns within the Department of Defense is the most important finding in support of the HNIP program, regardless of whether any of the other HACU-agency coefficients were significant. This suggests that HNIP is effective in a case where a highly educated workforce is needed. Recall that the Department of Defense was the agency with the greatest under-representation of Hispanics among the agencies, with a coefficient indicating that it had an 18 percent deficit in the percentage of Hispanics relative to the reference group. The probable reason for the massive under-representation is likely due to the fact that the Department of Defense labor pool is comprised of mostly highly skilled white-collar positions. These study findings also suggest that the HNIP program has positive results in agencies with poor amounts of Hispanic diversity.

Another facet to the problem of Hispanic under-representation is that fewer Hispanics are being hired or promoted into the higher GS pay levels than any other group. This study indicates that for every percent increase in the GS 13- SES levels, there is a .116 decrease in the percentage of Hispanics within that pay level. The National Association of Hispanic Federal Executives (NAHFE) has publicly touted that the lack of Hispanic diversity among the higher pay levels is a problem, especially in the Senior Executive Service (Oliverrez, 2003). The variable %GS13-SES gives credibility to the voice of the NAHFE, another organization dedicated to increasing Hispanic professional representation in the Federal workforce. HNIP has the potential to alleviate this problem by attracting college graduates with both bachelor's and master's degrees to the federal workforce. Attention to the disparities in the higher GS levels and their importance to the labor market is the reason this study included the variables for GS pay level percentages of the comparison group. The discouraging promotion potential this finding illustrates is one difficulty with which a federal agency can have in attracting the highly qualified Hispanic professional away from the private sector.

The variable %White is also in line with the other findings, indicating that the

number of Hispanics has been growing painfully slow in comparison to the number of Non-Hispanic Whites. For every one percent increase in the percentage of white employees there is a mere .05 percent increase in the percentage of Hispanics, government-wide. This study includes the percentage of Whites as a variable to control for the fact that the number of Hispanics have been increasing, while the number of Whites have been decreasing with the increase in minority representation overall. Interestingly, though, the coefficient for Percent White indicates that there is still a tremendous disparity between the increase in Whites to Hispanics.

Conclusion

Recruitment of Hispanics to the federal workforce is increasingly going to be a challenge for Federal agencies because they have to compete with the private sector for the growing number of college-educated Hispanics. The OPM Nine-Point Plan recommends that agencies make full use of student employment programs to attract college students and inform them about the growth potential offered within the federal government. There is a strong policy emphasis on developing the new entrants to the workforce into leaders within the agencies. The federal government should be sending the message to Hispanic college students that the federal government is a place that young professionals can advance their careers.

The new generation of Hispanic college graduates are now leaving home to go to college and are willing to relocate from their Hispanic communities to pursue their careers. It is also important to note that because the Hispanic population is growing so rapidly, Hispanic outreach should also be done in non-traditional Hispanic geographic locations and for non-traditional job descriptions (Oliverez, 2003). The Hispanic initiatives introduced within the past several years have focused so keenly on improving recruitment and outreach efforts because it is recognized that the number of Hispanics will not increase without some organized effort. Because of the disparate numbers of Hispanic representation in the higher GS pay levels, the focus of recruitment is bringing Hispanic college graduates into professional positions within the federal workforce.

As a result of the lack of Hispanic representation in high visibility government positions, the federal government also faces the challenge of sending the message to Hispanic college students that they can excel and grow in a career with the federal government. The federal government will be competing twice as hard to attract these college graduates away from private sector jobs. The analysis of the GS pay levels within each agency supports the hypothesis, as well. Without intervention, the number of Hispanics represented in the GS13 through SES pay levels would remain at embarrassing levels. It substantiates the need to increase the number of Hispanics into the white-collar positions of leadership. A program like HNIP identifies those bright individuals and presents the

agencies with the means to introduce them to their workforce.

The findings in this study suggest that programs like HNIP can work. The Department of the Defense illustrates a good example because it is an agency that seeks highly educated applicants to fill its ranks. A program like HNIP provides the agency with a very effective and specialized recruiting tool. Though no two agencies are alike in mission or size, the results of this study suggests that the HNIP program is effective at recruiting Hispanic college graduates to the federal workforce. The HACU National Internship Program is proving itself to be an effective tool for bringing these fresh new faces to the steps of the federal government.

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