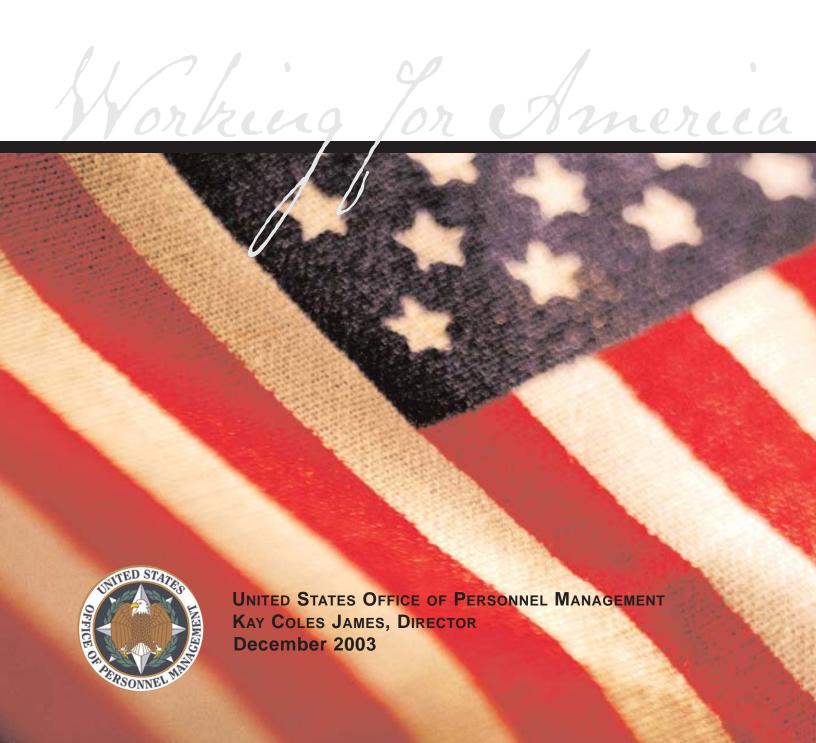
STATISTICAL INFORMATION ON HISPANIC EMPLOYMENT IN FEDERAL AGENCIES

REPORT TO THE PRESIDENT



The Honorable George W. Bush The White House Washington, DC 20500

Dear Mr. President:

I am pleased to submit the U.S. Office of Personnel Management's (OPM) third annual report on *Hispanic Employment in the Federal Government*. This report outlines a number of human capital strategies and practices that have proven to be effective in improving the representation of Hispanics in the Federal workforce, and it complements our June 2003 report to you providing *Statistical Information on Hispanic Employment in the Federal Government*. Taken together, these two reports indicate that overall, we are making good progress in improving the representation of Hispanics. Indeed, we are hiring a greater percentage of Hispanics than ever before.

Nevertheless, there is still much work to be done. In this regard, our report presents a sampling of exemplary human capital practices in four key areas that are critical to addressing the underrepresentation of Hispanics in the Federal workforce: community outreach; targeted recruitment (including use of student internships and part-time employment); sustained career development; and accountability for efforts. These practices are proven, and we have summarized specific agency examples that should serve as models for us all.

We recognize your unwavering commitment to a Federal workforce that reflects the diversity of America, and with your leadership, we will fulfill that commitment. To that end, and in furtherance of your Management Agenda, we will continue to submit semi-annual reports to measure the effects of these practices; however, we propose to revise our reporting schedule, submitting a combined statistical and "best practices" report on June 30 and December 31 of each year. In addition, I intend to mobilize the Chief Human Capital Officers Council to communicate and commend these practices to all agencies, and to make OPM's staff experts available to them for technical assistance. In so doing, today's best practices will become tomorrow's routine…and Hispanic underrepresentation will be history.

Respectfully submitted,

Kay Coles James Director

Executive Summary

The U.S. Office of Personnel Management's (OPM's) semi-annual report, *Statistical Information on Hispanic Employment in the Federal Government* (June 2003), found that overall, the Federal Government is hiring a larger percentage of Hispanics than ever before. However, that report also showed that results varied widely by agency. To determine what they were doing to make such a difference, we examined those agencies that were especially effective in the employment of Hispanics, and this report highlights some of the specific strategies that led to their success. In so doing, we encourage other agencies to emulate them...and to strive for similar results.

In this regard, our report summarizes the most recent statistics on Hispanic representation and presents findings in four key strategy areas that are critical to improving their underrepresentation in the Federal workforce; these are: community outreach; targeted recruitment (including student internships and part-time employment); career development; and accountability.

Community Outreach

When we examined agencies that were particularly successful in employing Hispanics, we found they had taken the time and care to build strong relationships with the Hispanic communities. Those relationships serve as a bridge between the agency and the Hispanic community resulting in increased awareness of employment and career opportunities. Ultimately, the relationship fosters greater numbers of Hispanics successfully applying for jobs in the agency.

Recruitment

Those agencies that were most successful in Hispanic hiring were also the most innovative in their recruiting strategies. For example, they leveraged student internships, including internships arranged through the Hispanic Association of Colleges and Universities (HACU) and part-time cooperative education and employment programs to introduce young Hispanics to the Federal service. In recruiting for full-time, permanent employees, they have also established effective partnerships with HACU and other Hispanic-serving educational institutions to assure a ready source of Hispanic college graduates, and have employed Spanish-language recruiting materials (both print and electronic) and bilingual recruiters to identify and hire Hispanic talent.

Career Development

Recruiting and employing Hispanics are not enough; Hispanic representation must be improved at all levels, including in the Senior Executive Service (SES), and a number of agencies (including OPM) have implemented career and leadership development programs with this in mind. For example, OPM's new Federal SES Candidate

Development Program, scheduled for a December 2003 start, will offer new opportunities for development and will focus recruiting on high-potential members of traditionally underrepresented groups such as Hispanics, through nationwide marketing and partnerships with Hispanic-serving institutions.

Accountability

Finally, the agencies that were most successful in employing Hispanics were those that established clear accountability for efforts. They established goals for the recruitment of Hispanics, developed outreach plans, defined clear roles and responsibilities for the execution of those plans, continuously measured progress, and held individual executives and managers accountable for their efforts via the agency's performance management system. OPM has led the way in accountability, with the diversity component of its Human Capital Assessment and Accountability Framework – an integral part of the President's Management Agenda.

Clearly, the strategies described in this report have begun to make a difference. We have made progress. Across the Federal Government, overall Hispanic hiring is up, especially as a percentage of new employees, and we expect continued improvement. That expectation will become a reality, eventually reflected as real results in our statistical report, as more and more agencies adopt the "best practices" we have identified.

Introduction

The U.S. Office of Personnel Management's (OPM's) *Third Annual Report To The President on Hispanic Employment In The Federal Government* provides an annual accounting of Hispanic representation throughout the Government and discusses individual agency initiatives to improve Hispanic representation. As part of our commitment to improving Hispanic representation, OPM Director, Kay Coles James, initiated semi-annual statistical reports on Hispanic employment to measure progress and to promote greater agency accountability for results.

Through his Management Agenda, the President has made workforce diversity a critical component in meeting Federal human capital objectives. Agencies are expected to demonstrate that they have a truly diverse workforce. In achieving this expectation, agencies have committed to actions that should result in an increase in the number of Hispanics in the Federal Government.

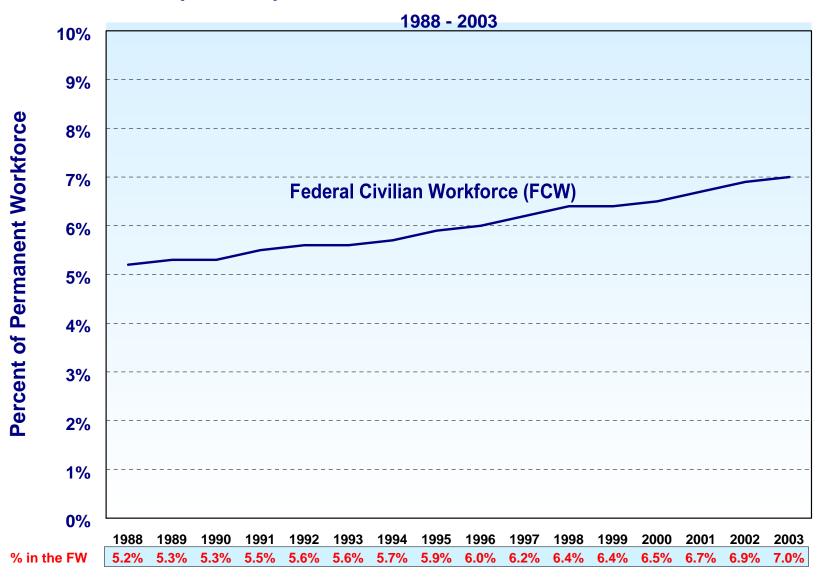
Consistent with the President's Management Agenda, the statistical reports focus on results. The first semi-annual statistical report in June 2002 compared annual data from Fiscal Year (FY) 1995 and FY 2001. The second semi-annual report compared FY 2001 and FY 2002 data. This report provides a comparison between FY 2002 and FY 2003.

Specific Agenda Strategies and Results

In addition to the statistical data, this report also highlights the agencies that have shown particular success in improving Hispanic representation. We asked these agencies to describe some of the specific strategies that lead to their success in community outreach; targeted recruitment (including student internships and part-time employment); career development; and accountability.

Governmentwide Data on Hispanic Employment

Hispanic Representation in the Federal Civilian Workforce



Data Source - U.S. Office of Personnel Management's Central Personnel Data File (Permanent Employment) as of September of each year from 1988 - 2002, and June in 2003.

Table 1. Hispanic Representation in the Federal Workforce, FY 2002-2003

AGENCY	On-Board Hispanics 6/30/02		On-Board Hispanics 6/30/03		
	#	%	#		%
Justice	17,312	14.0	8,157	•	8.4
Social Security	6,831	10.9	7,208	_	11.5
EEOC	352	12.7	330		12.7
Treasury	13,316	9.0	8,651	•	7.5
Air Force	10,123	7.2	10,272	_	7.4
HUD	682	7.1	721		7.1
Labor	1,097	6.9	1,094	_	7.0
Army	13,280	6.3	13,253	_	6.5
Veterans Affairs	12,707	6.3	13,041	_	6.4
Transportation	4,094	5.8	3,173	_	5.5
DOD (Total)	36,021	5.8	35,900	_	5.9
Agriculture	5,239	5.8	4,885	_	5.4
Energy	877	5.6	863		5.6
Defense Activities	4,969	5.4	4,719		5.4
GSA	701	5.0	618	•	4.8
Interior	2,988	5.0	3,002	•	4.9
NASA	912	4.9	926	_	5.0
EPA	818	4.7	839	_	4.8
Navy	7,649	4.4	7,656		4.4
Education	177	4.1	183	_	4.3
OPM	139	3.9	144	_	4.2
State	509	3.8	589	_	4.1
Health & Human Services	1,817	3.4	1,859	_	3.5
Commerce	1,226	3.4	1,204		3.4
*DHS	N/A	N/A	20, 607		18.7
All Other Agencies	2,046	1.9	2,057	•	1.8
Governmentwide	109,861	6.8	116,051	_	7.0

Legend: $\triangle = I$	Increase ▼ = Decrease	= No change
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^{*} Department of Homeland Security (DHS) established January 2003.

 $\label{thm:continuous} Table~2.$ Governmentwide Hispanic Permanent On-Board Workforce, by General Schedule and Related (GSR) Grade and Other Groups (as of June 30, 2003)

GROUP	TOTAL		Hispanic Total		Hispanic Percentage		Difference in Hispanic Employment FY 2002 to FY 2003	
	FY 2002	FY 2003	FY 2002	FY 2003	FY 2002	FY 2003	#	%
GSR 1-4	61,432	55,904	4,902	4,575	8.0	8.2	-327	-6.8
GSR 5-8	368,186	364,165	32,088	33,012	8.7	9.1	+924	+2.9
GSR 9-12	543,425	546,717	37,704	39,500	6.9	7.2	+1796	+4.8
GSR 13	191,919	195,468	8,774	9,194	4.6	4.7	+420	+4.8
GSR 14	91,285	93,161	3,472	3,697	3.8	4.0	+225	+6.5
GSR 15	54,892	56,807	1,883	1,987	3.4	3.5	+104	+5.5
Senior Pay	15,194	15,338	495	524	3.3	3.4	+29	+5.9
Blue-Collar	193,188	184,273	14,298	13,730	7.4	7.5	-568	-4.0
Other White- Collar	107,979	140,838	6,245	9,832	5.8	7.0	+3,587	+57.4
Total	1,627,500	1,652,67	109,861	116,051	6.8	7.0	+6,190	+5.6

Table 3. Comparison of Hispanic New Hires by Numbers and Percentages in Major Agencies

Agency	Hispanic Hires #			Hispanic Hires %		
	FY 2002 FY 2003 I 1 st Half 1 st Half 1		FY 2002 FY 2003 1 st Half 1 st Half			
Agriculture	88	•	70	9.0	_	6.7
Air Force	162	_	202	6.4	_	7.5
Army	159	_	170	5.6	_	6.5
Commerce	25	_	9	3.9	•	2.4
Defense – Other	65	•	48	7.8	_	5.8
Education	1	•	-	3.6	_	-
EEOC	2	•	-	28.6	_	-
Energy	6		6	4.1	_	5.9
EPA	6	_	7	5.9	_	6.2
GSA	7	_	8	5.6	_	7.3
HHS	35	•	32	4.1	_	4.8
HUD	5	_	12	10.6	_	5.2
Interior	35	•	32	4.7	_	5.5
Justice	424	_	553	26.4	_	26.5
Labor	13	_	7	6.3	_	4.0
NASA	-	_	1	-	_	1.3
Navy	71	_	115	4.2	_	5.9
OPM	3	•	1	3.2	_	1.7
Social Security	15	_	17	7.1	_	14.8
State	4	_	6	4.1	_	6.8
Transportation	51	_	71	5.2	_	7.6
Treasury	233	_	223	9.4	_	11.3
Veterans Affairs	151	_	210	5.3	_	6.0
All Other Agencies	20	<u> </u>	26	1.3	A	1.4
Governmentwide	1,581	_	1,826	7.6	_	8.7

Effective Practices and Next Steps

Community Outreach

Building a strong relationship with the Hispanic community, nationally as well as locally, is critical to improving the representation of Hispanics in the Federal Government. These relationships can provide agencies with a great source of quality Hispanic candidates, and they provide a benefit to the community through expanded educational and employment opportunities.

Exemplary Community Outreach Practices

Agency	Effective Practice
Department of	Awarded \$53,700 to Hispanic-serving institutions through the Hispanic
Defense (DOD)	Association of Colleges and Universities.
Department of Energy (DOE)	Partnered with the University of Texas – Pan American to sponsor the Hispanic Engineering Science and Technology (HESTEC) Week. During HESTEC Week, DOE representatives served as classroom instructors, recruiters, and outreach specialists. Conducted student outreach nationwide through programs like the Fossil Energy Hispanic Internship Program and Hispanic Youth Symposium. Served as the co-host for the 2003 National Association of Hispanic Federal Executives Summit (see Career Development section below).
Department of the Interior (DOI)	Marketed and promoted careers in natural resources management to Hispanic-serving institutions; for example, the Bureau of Reclamation established educational partnerships with two such institutions, and through funding and technical assistance, it has assisted both of these universities in developing a natural resources curriculum focused on water resources management.
Social Security Administration (SSA)	Provided employment information to Hispanic students and faculty, as well as local Hispanic community leaders, through the agency's local offices.

Recruitment

Those agencies that were most successful in Hispanic hiring were also the most innovative in their recruiting strategies, taking advantage of various hiring flexibilities and special authorities to bring in talented Hispanic college graduates as full-time employees, as well as students...who may then be more likely to seek and accept full-time Federal employment after they graduate.

For example, a number of agencies leveraged student internships, including those arranged through the Hispanic Association of Colleges and Universities (HACU), as well as OPM's Student Temporary Employment Program (STEP) and Student Cooperative Education Program (SCEP), to introduce promising young Hispanic students to the Federal service.

In recruiting Hispanic college graduates, these 'best practice' agencies established effective campus partnerships with HACU and other Hispanic-serving educational institutions, thus assuring a ready source of Hispanic college graduates. They used Spanish-language recruiting materials (both print and electronic) and bilingual recruiters to identify and hire Hispanic talent.

To facilitate these agency efforts, OPM also continues to conduct a series of recruitment fairs as part of its "Working for America" campaign in a number of cities with large Hispanic populations to provide "on the spot" employment services for agencies ready to hire applicants.

Exemplary Recruitment and Student Employment Practices

Agency	Effective Practice
Office of Personnel	As part of its "Working for America" campaign, continues to conduct a
Management (OPM)	series of recruitment fairs with Federal agencies in a number of cities
	with large Hispanic populations (including Los Angeles, San Antonio,
	Las Cruces, Albuquerque, Miami, San Diego, and New York) to
	provide "on the spot" employment services for agencies ready to hire
	applicants.
	Employed 15 HACU interns.
	Provided information about Federal student job Programs on the
	e-Scholar website. This website highlights grants and scholarships for
	students.
	(Continued)

Agency	Effective Practice
Central Intelligence Agency (CIA)	Established campus partnerships with a number of colleges and universities, including a number that serve large Hispanic student populations (such as the University of Texas and Florida International University), to provide internship opportunities, lectures, and seminars. Provided information and advice to faculty to identify and encourage Hispanic students to consider CIA employment. Developed a bilingual brochure featuring "Life at CIA."
Defense Logistics Agency	Used the Federal Career Intern Program (FCIP) to hire 30 Hispanic interns in FY 2003.
Department of the Interior (DOI)	Entered into a new partnership with the American GI Forum (AGIF) during FY 2003 to implement the DOI Hispanic Veteran Outreach Initiative, which provides an online employment referral center for Hispanic veterans, disabled veterans, and their families. Increased the number of Hispanic students employed under OPM's STEP program by 15 percent in 2003.
Department of Energy (DOE)	Conducted an intensive recruiting campaign at a number of Hispanic-serving institutions in Puerto Rico, Texas, and Florida, contacting more than 2,000 Hispanic and other students; the bilingual recruiting teams included relocation experts. Four hundred thirty-two Hispanics applied for entry-level positions; their applications were electronically distributed to more than 300 hiring officials agency-wide and are pending as of this report. Ten percent of the Department's 2003 Presidential Management Interns are Hispanic. Contributed \$930,000 for the Hispanic Scholarship Fund Institute (HSFI) to provide tuition assistance to Hispanic college students; the scholarship recipients are employed part-time as interns and SCEP students in the Department, with the latter eligible for full-time employment upon graduation.
Federal Housing Finance Board (FHFB)	Forwarded all open vacancy announcements to various Hispanic professional organizations and colleges and universities with large Hispanic student populations.
Department of Housing and Urban Development (HUD)	Established a special Hispanic Recruitment Unit that consists of a senior human resources (HR) specialist, a Hispanic HR specialist, and an HR assistant.
Office of Special Counsel (OSC)	Developed a comprehensive electronic recruitment database of contacts at Hispanic colleges and universities.
	(Continued)

Agency	Effective Practice
Department of State (DOS)	Designated a full-time Hispanic Recruitment Coordinator to coordinate Hispanic outreach activities, including over \$95,000 in Hispanic print and electronic employment advertising.
Social Security Administration (SSA)	As part of its nation-wide employment marketing, developed and distributed Spanish-language recruitment posters, exhibit brochures, and other recruitment materials. Using OPM's STEP and SCEP programs, provided 842 students (including 144 Hispanics) with part-time internships or cooperative education opportunities in 2003.
Department of Transportation (DOT)	Created a number of innovative education-and-employment programs to attract promising Hispanic students to the Department. In partnership with the Hispanic Scholarship Fund Institute (HSFI), offered "Next Generation Public Servant" scholarships to provide tuition assistance and part-time employment to Hispanic SCEP students who will be eligible for full-time Federal employment upon graduation. Also employed 65 HACU Interns in FY 2003.

Career Development

Agencies have increasingly come to realize that recruiting and successfully hiring Hispanics into entry-level positions is not enough; Hispanic representation must be improved at all levels, including in the Senior Executive Service (SES), and this requires a sophisticated career development strategy.

A number of agencies (including OPM) have implemented career and leadership development programs with this in mind. For example, OPM's new Federal SES Candidate Development Program, scheduled for a December 2003 start, will target marketing and recruiting efforts to high-potential members of traditionally underrepresented groups such as Hispanics. Several agencies have worked to address the advancement of Hispanics in the Federal Government through career development programs and have increased targeted recruiting of traditionally underrepresented groups into existing leadership development programs and mentoring programs.

Exemplary Career Development Practices

Agency	Effective Practice
Office of Personnel Management (OPM)	Developed a new Federal SES Candidate Development Program (CDP) (scheduled for a December 2003 start), that will target marketing and recruiting efforts to high-potential members of traditionally underrepresented groups such as Hispanics.
Department of	As part of its leadership development and executive succession efforts,
Energy (DOE)	implemented an online executive mentoring program for high-potential mid-level managers (10 percent of the more than 150 participants are Hispanic).
	Served as the co-host for the 2003 National Association of Hispanic Federal Executives Summit, which brought together 85 percent of the Hispanic members of the SES to discuss strategies for developing and promoting more Hispanics into the SES.
Department of the Interior (DOI)	Conducted extensive targeted outreach for its SES CDP through mail and e-mail, increasing the percentage of Hispanic candidates from 6 to 12 percent.
Department of Labor (DOL)	Established a competitive entry-level leadership development program for high potential mid-level managers to address critical succession planning needs; 12.5 percent of the participants are Hispanic. Those who successfully complete the program are noncompetitively promoted to the next higher grade. Also implemented a 12-month executive mentoring program for high potential mid-level managers; 16 percent of the mentors and 14 percent of the participants are Hispanic.
	(Continued)

Agency	Effective Practice
Social Security	As a result of its aggressive career development efforts, awarded 17
Administration (SSA)	percent of all promotions in FY 2003 to date to Hispanics, which
	comprise 11.6 percent of SSA's workforce.

Accountability

Agencies that were the most successful in employing Hispanics established clear accountability for efforts. They established outreach goals for targeting Hispanic and minority communities and publications, developed outreach plans, defined clear roles and responsibilities for the execution of those plans, continuously measured progress, and held individual executives and managers accountable for their efforts via the agency's performance management system.

OPM has led the way in this regard, with its Human Capital Assessment and Accountability Framework. An integral part of the President's Management Agenda (PMA), the Framework serves as the basis for evaluating how well agencies are managing their human resources. In accordance with the Chief Human Capital Officers Act of 2002, the Framework describes six critical Standards of Success, "best practice" human capital benchmarks that form the basis for an agency's PMA score in this area. One of these Standards includes building a workforce that draws on the strength of America's diversity.

Based on their input to this report, agencies are taking the Framework and its Standards of Success seriously -- more than half of the agencies that provided information for this report indicated that they track the progress of employment initiatives, including for Hispanics, and report results to a central advisory or oversight body. Agencies that were especially exemplary in this regard included the General Services Administration, the Central Intelligence Agency, the Railroad Retirement Board, the Department of the Navy, and the Corporation for National and Community Service.

Exemplary Accountability Practices

Agency	Effective Practice
Department of	As part of its performance planning and appraisal process, held
Interior (DOI)	individual managers and supervisors accountable for improving diversity in mid-level management positions that serve as "feeder groups" for the SES. As a result, while Hispanic representation in Interior's workforce has increased by 1.1 percent overall, it has achieved a 5.8 percent increase in these GS-13/14/15 "feeder" positions, and has increased Hispanic SES representation by 10 percent.
Defense Logistics Agency (DLA)	Established an agency strategic Hispanic hiring plan called <i>Recruitment</i> , <i>Employment</i> , <i>and Advancement for Latinos</i> (REAL). This plan provides a mechanism for holding individual executives and managers accountable for increasing recruitment. (Continued)

Agency	Effective Practice
Department of the Navy (DON)	Developed a multi-year Affirmative Employment Plan for 2003-2007 that includes specific objectives and action items, with milestone dates and responsible officials, to improve diversity representation at all levels and occupations. Executive and managerial performance plans included expectations regarding the recruitment and career development of Hispanics.
Department of Transportation (DOT)	Developed a Departmental "Diversity Action Plan" that required each office to establish Hispanic recruitment strategies, and to measure efforts towards those strategies.
General Services Administration (GSA)	Formed an intra-agency Hispanic Employment Initiative Task Force that established recruitment goals and strategies to improve Hispanic representation and career development/progression; the task force also monitored progress towards those goals.
U.S. Holocaust Museum	Established an agency-wide Hispanic Recruitment Plan that included specific responsibilities for managers, supervisors, and employees.

Next Steps

We are encouraged by the innovation and creativity demonstrated by the agencies highlighted in this report. While the list of examples is by no means exhaustive, we believe it offers a number of proven strategies for improving the representation of Hispanics in the Federal workforce. We look forward to continued progress in this area and remain committed to supporting agency efforts by providing timely and effective policy guidance and technical support. In this regard, we will:

- Share this report with the Chief Human Capital Officers (CHCO) Council;
- Disseminate it to all Federal agencies, and provide them with additional technical and consulting assistance;
- Post it on the OPM website to highlight these agencies' "Best Practices";
- Share agencies' accomplishments during the next meeting of the Interagency Task Force on Hispanic Employment; and
- Continue to track and publicize the results of these and other agency efforts to improve Hispanic representation, including OPM's own Nationwide Recruitment Fairs, as part of our statistical report on Hispanic employment.