National Association of Hispanic Federal Executives

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April 3, 2008

Promoting the Senior Executive Service for Hispanics

Congressional Hearing Testimony on Diversity in the SES

Chairman Davis, and Members of the House Subcommittee on Federal Workforce, Postal Service and the District of Columbia; Chairman Akaka, and Members of the Senate Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, thank you for the opportunity to appear before you today.

My name is José Osegueda and I am the President and Chief Executive Officer of the National Association of Hispanic Federal Executives, or NAHFE. I am also a recently retired Federal employee and a true witness of the difficulties facing Hispanics who strive to achieve and pursue senior level positions in the Federal workforce. NAHFE is proud to represent all senior level Hispanics in the Federal workforce and to speak on their behalf today at this hearing. NAHFE's mission is to promote the development and advancement of Hispanics to senior level, policy-making positions in the Federal government.

It is clear that, with regard to Hispanic representation at the senior levels of the federal government workforce, the current selection methodology has not improved the bottom line. Presently, Hispanics represent 3.6% of the career SES cadre while making up 13.8% of the national civilian labor force. Using the most conservative calculations, this means that Hispanics today are underrepresented by close to 500 career SES positions.

Even worse, Hispanic representation is actually <u>declining</u> at the feeder positions leading to the career SES level, the GS 13-15 grades. According to the most recent OPM reports, Hispanic representation <u>declined</u> by 2.8%, or 579 positions, from 2006 to 2007. Without a robust presence in the feeder pipelines, future Hispanic representation at the senior level positions of government will only get worse.

That Hispanic underrepresentation in the federal workforce has reached crisis proportions is borne out by these telling statistics: Hispanics remain the only underrepresented ethnic group, at 7.7%, in the overall government workforce. When compared to their present level of representation in the national civilian labor force, 13.8%, there is a Hispanic underrepresentation gap of 6.1% in the federal workforce, which represents the loss of 120,000 jobs, or \$5.5 billion in salaries alone, to the Hispanic community each year.

And, to place the capstone on this dismal picture of underrepresentation, with an average annual hiring rate of 0.13% over the past 40 years, Hispanic representation in the federal workforce will never reach parity with their numbers in the national civilian labor force unless dramatic measures are taken to improve the broken federal personnel hiring system.

Yet, despite this history of institutionalized exclusion, on November 15, 2007 OPM Director Linda Springer eliminated the only federal personnel hiring authorities established with the express purpose of promoting diversity among minorities. The Outstanding Scholar and Bilingual/Bicultural Hiring Authorities were established by a Federal District Court consent decree to "reduce adverse hiring impact" on Hispanics and African Americans into entry-level federal positions. Among the reasons cited by Director Springer for her action was that "The circumstances under which the consent decree did require use of these authorities are no longer applicable."

¹ Office of Personnel Management, Federal Equal Opportunity Recruitment Program (FEORP) Annual Report, September 30, 2007

² Office of Personnel Management, Seventh Annual Report to the President on Hispanic Employment in the Federal Government, June 2007

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NAHFE supports the intended purpose of H.R.3774 and S.2148 to establish an office within OPM that will promote diversity in the recruitment and selection of career SES positions. NAHFE firmly believes it is time that the responsibility for oversight, monitoring and accountability of SES selections, including the establishment of diversity evaluation panels, is moved from individual agencies to a central oversight office.

Clearly, the responsibility for accountability in diversity selections rests with the "gatekeepers" to the recruitment and selection process. And, the record speaks loud and clear that leaving independent authority for ensuring diversity in career SES selections with agencies will not improve the dismal bottom line. One need only look at the current levels of Hispanic representation in several key executive agencies to understand why it is time to abandon the failed SES selection methods of the past and turn to new, creative ideas for improving diversity at the senior levels of government.

At the Department of Education and the General Services Administration, each agency has but one Hispanic in their career SES cadre, or a representation level of 1.4%; The Department of Transportation, with two Hispanics at the career SES level, has a representation level of 1.0%; The Department of State, with two Hispanics at the career SES level, has a representation level of 1.8%; and the Department of Defense, with over 1200 career SES employees, has but 1.4% Hispanic representation at the career SES pay level. Nearly all other Executive and Legislative Branch Agencies have similar levels of Hispanic representation at the career SES levels.

For these reasons, NAHFE supports moving the "gatekeeper" responsibility for overseeing diversity in career SES recruitment and selections away from agencies to a central oversight office within OPM, and the establishment of SES evaluation panels within agencies whose makeup is reflective of our nation's diversity.

While we clearly share the Senior Executives Association's goal of bringing greater diversity to the federal executive corps, unfortunately we are not in agreement with how to make this a reality. We do not believe that continuing to rely on the failed SES selection methodology of the past will yield different, more positive results. It is time to turn over a new leaf and dramatically improve the SES selection process. We believe that the diversity bills, as presently constituted, will do this. We believe that they will signal a welcome change toward improving diversity at the senior levels of government.

Chairman Davis, Chairman Akaka, and Members of both the House and Senate Subcommittees, we thank you for the opportunity to share our views and support for the "Senior Executive Service Diversity Assurance Act" (H.R. 3774 and S.2148). We look forward to continue to work with you, other committees, and with federal agencies to ensure that our federal workforce truly reflects the diversity of America's population at all levels, but especially at the senior ranks of Public Service.

ose Osegueda

President and Chief Executive Officer

NAHFE

³ "Diversity in the Federal SES and the Senior Levels of the U.S. Postal Service", GAO Report, May 10, 2007



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Promoting the Senior Executive Service for Hispanics

March 24, 2008

Mr. William L. Bransford General Counsel Senior Executives Association 820 First Street N.E., Suite 700 Washington, D.C. 20002

Dear Mr. Bransford:

Thank you for your March 14, 2008 letter to the National Association of Hispanic Federal Executives (NAHFE) explaining the SEA's position with regard to the Senior Executive Service Diversity Assurance Act, S2148/HR3774.

Please be advised that NAHFE is opposed to the changes proposed by the SEA to the house and senate bills. NAHFE believes that the diversity bills, as presently constituted, have the greatest chance to positively impact the way career SES positions are filled in order to ensure fairness, objectivity and inclusiveness of the selection process.

We believe the key difference in our position to the changes being proposed by the SEA revolves around the question of who the "gatekeepers" will be in the career SES selection process. As we understand the SEA's proposed changes to the diversity bills, individual agencies would have the opportunity to maintain control over their SES selection process by "demonstrated leadership commitment to diversity in the SES and in the SES pipeline." With that showing (how and by whom would this be established?), agencies could then set up their own internal career SES selection process, complete with monitoring and accountability mechanisms to ensure diversity in their selections.

Surely you must understand the skepticism that NAHFE has with the notion that leaving independent authority for ensuring diversity in career SES selections with agencies will somehow improve the dismal bottom line. At the present time Hispanics represent 3.6% of the career SES cadre and 13.8% of the national civilian labor force, which equates to an underrepresentation gap of nearly 500 senior-level positions. In the feeder positions leading to the SES level, the GS 13-15 grades, Hispanic representation declined by 2.8%, or 579 positions, from 2006 to 2007. And, with an average annual Hispanic hiring rate of 0.13% government-wide over the past 40 years, Hispanic representation in the federal workforce will never reach parity with their numbers in the national civilian labor force unless dramatic measures are taken to improve the federal personnel hiring system.

Thus, with this level of unremarkable diversity achievement as a historical backdrop, NAHFE firmly believes it is time that the responsibility for oversight, monitoring and accountability of SES selections, including the establishment of diversity evaluation panels, be moved from individual agencies to a central office in OPM

¹ Office of Personnel Management, Federal Equal Opportunity Recruitment Program (FEORP) Annual Report, September 30, 2007