## **Testimony**

Statement of
Stephanie M. Ruiz
Director of Human Resources and
Equal Employment Opportunity Officer

# Diversity at the Congressional Budget Office

before the
Subcommittee on Federal Workforce,
Postal Service, and the District of Columbia
Committee on Oversight and Government Reform
U.S. House of Representatives

**September 16, 2008** 

This document is embargoed until it is delivered at 2:00 p.m. (EDT) on Tuesday, September 16, 2008. The contents may not be published, transmitted, or otherwise communicated by any print, broadcast, or electronic media before that time.

CONGRESSIONAL BUDGET OFFICE SECOND AND D STREETS, S.W. WASHINGTON, D.C. 20515

Mr. Chairman, Congressman Marchant, and Members of the Subcommittee, thank you for the invitation to discuss our efforts to have a diverse workforce at the Congressional Budget Office (CBO). This is an important subject—CBO's leadership shares your interest in diversity and is strongly committed to having a representative workforce. We have made significant efforts to create such a workforce and will continue to do so. We are, however, not yet satisfied with the results of those efforts and continue to seek ways to enhance them.

My testimony this afternoon will address the following key points:

- The challenge of recruiting staff skilled in the fields necessary to do the analysis CBO prepares for the Congress,
- CBO's efforts to recruit a diverse workforce,
- Recent additions to those recruiting efforts, and
- Recent progress toward greater diversity in the agency's workforce.

#### The Challenge of Recruiting Skilled Staff

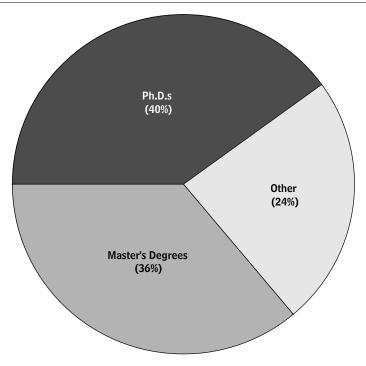
The demographics of our pool of qualified candidates pose a significant challenge in recruiting a diverse staff. CBO employs individuals with very specialized skills to do the complex economic and budgetary analysis the agency is charged to do for the Congress. More than three-quarters of CBO's professional staff members hold Ph.D.s or master's degrees (see Figure 1). (About 40 percent hold Ph.D.s, most of them in economics, and an additional 36 percent hold master's degrees, generally in public policy or administration.)

As a result of the specialized skills needed at CBO, our organization faces a substantial challenge in achieving a diverse workforce, given the demographics of the people completing the necessary educational requirements. According to the most recent Survey of Earned Doctorates (SED), approximately 1,000 people received doctorates in economics in 2006. Only 30 percent of those newly minted Ph.D. economists were women (see Table 1). An additional recruiting difficulty for CBO is that foreign nationals make up the majority of doctoral students in economics: approximately two-thirds in 2006. Although CBO hires some non-U.S. citizens, the small proportion of U.S. citizens among new Ph.D.s in economics nonetheless limits the pool from which the agency can attract candidates. Perhaps even more dramatically, among the roughly 1,000 new economists who came into the labor market, only 6 percent (60 people in the entire nation) were identified as members of a minority

The SED is conducted by the NORC Academic Research Center at the University of Chicago for the National Science Foundation and five other federal agencies: the National Institutes of Health, U.S. Department of Education, National Endowment for the Humanities, U.S. Department of Agriculture, and the National Aeronautics and Space Administration.

Figure 1.

## **Academic Degrees of CBO's Professional Staff**



Source: Congressional Budget Office.

group. Those numbers are even more disheartening in light of the small portion of new Ph.D. economists who enter government service: only 14 percent in 2006.

The characteristics of graduates are somewhat less of a problem in recruiting master's-level employees. For example, according to data from the National Association of Schools of Public Affairs and Administration, 58 percent of those completing master's degrees in 2007 were women, and 31 percent were identified as members of minority groups.

#### **CBO's Efforts to Recruit a Diverse Workforce**

In the face of this demographic challenge, CBO must be both aggressive and creative in its recruiting efforts to achieve a diverse staff. Traditional recruiting activities such as advertising and college recruiting alone do not work. We make special efforts to reach out to women and minorities to seek candidates for open positions. We also devote considerable effort to "grassroots" recruiting, that is, seeking to enlarge the pool of female and minority candidates in the populations from which we recruit.

Table 1.

### Diversity Information About Recipients of Ph.D.s in Economics and Econometrics Awarded in the United States in 2006

	As a Percentage of the Total
Recipients	
Males	69.8
Females	30.0
Citizenship	
United States	28.2
Non-U.S. Citizen	65.6
Race of U.S. Citizens	
White	21.2
Minority	
Black	1.1
Hispanic	1.4
Asian	3.2
American Indian	0.2
Subtotal, minority	5.8
Other and unknown	1.2
Postdoctorate Employment by the U.S. Government	14.1

Source: Congressional Budget Office based on data from the Survey of Earned Doctorates, conducted by NORC Academic Research Center, University of Chicago.

Notes: The total number of Ph.D.s in economics and econometrics was 1,029.

Numbers may not add up to totals because of rounding.

Not all respondents provided demographic information.

In our recruiting, we particularly focus on female and minority candidates. For example:

- CBO provides information on relevant employment opportunities to groups such as Women in International Security.
- We send targeted mailings to all Historically Black Colleges and Universities (HBCUs) and Hispanic-Serving Institutions (HSIs) that have programs from which CBO can draw candidates.
- In our college recruiting program, we visit myriad campuses, including HBCUs, HSIs, and large flagship campuses with diverse student populations.

- We are regularly in touch with the American Indian Graduate Center, the only national nonprofit organization dedicated to aiding Indian graduate students in all fields of study, to ascertain if it can suggest students in economics and public policy whom CBO may contact about employment opportunities.
- The head of CBO's National Security Division, which needs scientific as well as economic expertise, has participated in the Society of Hispanic Engineers' student conference to describe careers in public policy that engineers may consider and, specifically, such opportunities at CBO.
- Though we do not recruit attorneys as analysts, a representative of CBO attended the Latino Law and Public Policy Conference at the Kennedy School of Government in hopes of identifying candidates with skills and interests in line with CBO's responsibilities.

CBO also manages its summer internship program with an eye toward diversity. This past summer, for example, 63 percent of our interns were minorities and 38 percent were women. In addition to the projects these students work on while at CBO, the program serves to introduce them to the challenge and reward of positions in public service. Our goal is to make it more likely for them to consider full-time employment at CBO upon the completion of their academic preparation. And the results suggest that this approach has been an effective recruitment tool: About 7 percent of the agency's current staff members are former CBO interns.

Despite its small size, CBO engages in significant grassroots efforts to enlarge the pool of potential candidates over the longer term. Data indicate that most students who pursue a doctorate in economics studied that subject as undergraduates. With that fact in mind, staff of CBO—which hires very few analysts with only a bachelor's degree—visit a number of campuses and participate in various programs to encourage undergraduates in underrepresented groups to pursue further education and positions like those at CBO. For example, we make a special effort to make presentations to undergraduate student groups such as the Morehouse/Spelman's Joint Economic Club and Howard University's economics majors. Such presentations provide an opportunity to introduce undergraduate students to the idea of pursuing a Ph.D. in economics or a master's degree in public policy and to acquaint them with the types of government careers to which such paths may lead.

We also participate annually in these programs:

■ The Public Policy and International Affairs Program (PPIA), a national program focused on preparing students of underrepresented groups for advanced degrees leading to careers in public service. CBO has contributed to this program in a variety of ways, including presenting seminars on the agency's work at host campuses across the country, organizing and participating in a multiagency panel (attended also by representatives of the Government Accountability Office), and attending and serving on panels related to government service at career expos for PPIA alumni in various cities.

■ The American Economics Association's Summer Program and Minority Scholarship Program, which seek to prepare talented undergraduates for doctoral programs in economics and related disciplines. In two of the past five years, we have hosted the students for lunch and seminars at CBO, and in three other years, we have presented seminars at the host campuses. On several occasions, the CBO Director has personally addressed the groups.

In the end, if few students from underrepresented groups enter advanced degree programs in economics and public policy, we have little hope of recruiting CBO staff representative of the nation's rich diversity.

Maintaining a desirable work environment is another important recruiting tool. To assess that environment, CBO conducted its first-ever employee satisfaction survey in 2008. Given the priority we have placed on diversity, it was one of the factors that we looked at in our analysis. Specifically, we:

- Examined the responses to all questions by sex and race/ethnicity to see if there were concerns in the workplace that would make women or minorities reluctant to work at CBO.
- Examined the responses to questions related to diversity for issues that may need to be addressed.

We were very pleased that for all questions in the employee satisfaction survey, a substantial majority of the responses were favorable—and the response by women and minorities were equally or more favorable.

#### **Recent Additions to CBO's Recruiting Program**

Since the hearing held by this Subcommittee last November, CBO has explored ways to extend its recruiting efforts. The Director, Peter R. Orszag, and Deputy Director, Robert A. Sunshine, made diversity a principal topic of the CBO management conference in January. Dr. Orszag emphasized CBO's unequivocal commitment to diversity, highlighting the challenges we face and encouraging vigorous and creative efforts toward that goal. Both he and I followed up with CBO's staff to communicate our efforts and solicit suggestions as to how we might improve recruiting. I was encouraged by the suggestions that members of the staff shared, and we have been able to implement a number of them.

To help monitor the effort, the agency implemented a tracking system that identifies the candidates interviewed for a position. In several cases, the Director and the Deputy have declined to consider making job offers until there was additional diversity among the candidates interviewed.

In addition, Dr. Orszag has made personal efforts to develop new recruitment opportunities. He telephoned the deans of the top programs offering Ph.D.s in economics and master's degrees in public policy or public administration to explain CBO's interest in recruiting strong minority candidates from their programs and to solicit their assistance in identifying ways to improve our recruiting. Dr. Orszag also contacted prominent minority economists to solicit assistance. One of those contacts resulted in identifying a new program designed to address the underrepresentation of minorities and people from distressed communities in public policy research: the Urban Institute's Summer Academy for Public Policy Analysis and Research. A CBO executive and the Director made a presentation to the program's initial class of 11 minority students on the economic and budgetary challenges of health care and assistance to Freddie Mac and Fannie Mae. After the seminar, several CBO staff and interns joined the students for lunch to allow more personal interaction about CBO's work and employment opportunities as well as career opportunities in policy research and analysis.

#### CBO staff also:

- Participated in a diversity forum at Howard University to discuss best practices for minority recruitment.
- Met with a representative of the Congressional Hispanic Staff Initiative to explore ways to inform individuals who seek jobs on the Hill about opportunities at CBO.
- Joined Howard University economics students at their annual honor society dinner.

In addition, CBO representatives addressed the fellows programs sponsored by the Congressional Black Caucus Foundation and the Congressional Hispanic Caucus Institute. We hope to add those seminars to our annual efforts.

# **Recent Progress Toward Improved Diversity in CBO's Workforce**

Like his predecessors, the current Director, Dr. Orszag, is committed to diversity. In his short tenure, 52 percent of the CBO staff members hired have been women, and 17 percent have been members of underrepresented minority groups.

With last year as a benchmark, CBO's diversity has improved. We have increased the share of employees who are women and the share of professional positions filled by women by about 2 percentage points. That latter figure stands at 42 percent. The share of employees who are minorities—in both the agency overall and in professional positions—remains essentially unchanged, at about 13 percent. As for executive-level positions, the shares filled by women and minorities both increased by nearly 3 percentage points.

That improvement has occurred despite the fact that our minority staff members are often highly sought after by other employers—which is a tribute to their skills and ability but makes it even harder to maintain or enlarge their number on our staff. In this fiscal year, CBO has had 32 employees leave the agency, of whom five have been minority staff members. (Two of the five went to other positions in the legislative branch, and one went to an executive branch agency.) With our small staff size, the gain or loss of a few staff members can significantly affect our numbers.

#### Conclusion

CBO's most valuable resource is a strong staff, and in pursuit of that end, we dedicate a great deal of time, effort, and resources to the agency's recruitment program, including presenting seminars and information sessions for students from more than 60 campuses in each of the past five years, hosting student groups at CBO, and participating in groups of schools' "consortium" recruiting events in Washington, D.C. During that period, we have reached students from more than 100 college campuses. An important focus has been, and will continue to be, the recruitment of a diverse workforce at all levels in the organization. Over the past year, we have enhanced our efforts toward that goal, and we welcome ideas for additional steps we might take in the future. Though we are pleased with our progress, we take seriously our need to continue to improve the diversity of our staff.