Strengthening Young Adult Opportunity in the Federal Workforce:

An Executive Order on Recruitment, Hiring, Retention, & Advancement

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Introduction

By tapping people’s full potential, economic inclusion provides a strong foundation for a prosperous economy. Particularly in the midst of the COVID-19 pandemic and recession, young people urgently need good job opportunities. Any serious national economic recovery agenda must address the challenge of youth employment in an ambitious and viable way, and the federal government has several critical roles to play—including as an employer.

As the nation’s largest employer and the workforce led by the President, the federal government must lead on equity and set an example for other employers to follow. The federal government urgently needs to address both the aging of its workforce and racial and gender inequity, particularly in senior positions. Hiring more young people can strengthen the diversity of the pipeline feeding senior government positions. Improved equity in the federal government workforce will also help make possible government services, programs, and policies that better serve the American public.

We recommend that the new Biden-Harris Administration (hereafter, “Biden Administration”) issue an equity-focused executive order—centering communities of color and high-poverty communities—to increase young adult recruitment, hiring, retention, and advancement in federal government jobs.

The Problem

This executive order helps to address various challenges currently facing (1) young people and (2) the federal government.

CHALLENGES FACING YOUNG PEOPLE

Young adulthood is a critical time for launching a career trajectory, for brain and identity development, and much more. However, unemployment and disconnection are persistent problems facing young people—particularly young people of color and young people in families with low incomes—even when the economy has been strong.

Young workers are disproportionately impacted by recessions. Young adults—particularly low-income youth, and youth of color—are more likely than older workers to be fired, and less likely to be hired, when jobs are scarce. Unsurprisingly, the impacts of the COVID-19 pandemic and recession have greatly intensified young adult unemployment and disconnection. Unfortunately, various federal policies enacted in response to the pandemic and recession have excluded many young workers.

Young people’s experiences of employment or unemployment can have long-lasting effects. For example, experiencing unemployment early in one’s career can increase the likelihood of experiencing unemployment in the future and can depress wages for decades later.
Unemployment

The unemployment rate is generally much higher for young people than for prime-age workers, and the pandemic-induced recession has been no exception. As of January 2021, the U.S unemployment rate was 11.2 percent for young people ages 15 to 24—almost double the unemployment rate of 5.6 percent for ages 25 to 74. In January 2021, nearly half of unemployed youth were out of work due to the pandemic, and over 60 percent of young people reported having difficulty paying for usual household expenses during the pandemic.

Low-income youth of color face particularly high levels of unemployment and increased barriers to accessing jobs amidst the current economic recession. In January 2021, youth employment (ages 16 to 24) was 15.0 percent for Black youth, 13.7 percent for Asian youth, 14.0 percent for Latinx youth, and 11.2 percent for white youth. Historically, Native American youth also have significantly higher unemployment rates than do white youth, and Native Americans have had higher unemployment rates since COVID-19 than white Americans.

Structural racism poses barriers to employment in a variety of ways for youth of color—including inequities in the U.S. criminal legal system that negatively affect Black, Latinx, and Native American youth. Involvement with the criminal legal system leads to severe economic consequences that diminish opportunity disproportionately for Black, Latinx, and Native American people.

Disconnection

The youth disconnection rate—the rate of young people ages 16-24 who are disconnected from school and from work—tends to closely follow the unemployment rate. The youth disconnection rate has spiked during the pandemic-induced recession. Opportunity Youth, or disconnected youth, are disproportionately from low-income communities of color: before COVID they were affected by systemic racism, now they are in communities experiencing heightened impacts from COVID and the subsequent economic collapse.

CHALLENGES FACING THE FEDERAL GOVERNMENT

The federal civilian workforce represents a declining percentage of the U.S. workforce, is aging, and—especially in more senior levels—does not reflect the diversity of the American public. These challenges impede the federal government’s ability to effectively achieve its mission, now and in the future.

Shrunken & Aging Federal Workforce

The size of the federal civilian workforce, as compared to the size of the overall civilian workforce, has decreased over time. This decline is partly due to the increased outsourcing of government responsibilities to contractors and the private sector.
The total size of the federal civilian workforce—which refers to workers in any agency of the federal government excluding the military—remained about 2.1 million during the Trump Administration. However, in alignment with the Trump Administration and Congress’s sharp budget cuts to civilian agencies, it appears that this steady 2.1 million total masks workforce growth at agencies like the Department of Homeland Security offsetting workforce declines at many non-defense, non-security agencies. For example, the Department of Education’s workforce decreased by more than 14 percent between 2016 and 2019.

Young people are underrepresented in the federal workforce, and a third of all federal workers will be eligible to retire in the next five years. Twenty years ago, 6 percent of the federal workforce was over 60 while 8 percent was under 30. But in 2018, 14 percent of the federal workforce was over 60, while just 8 percent was under 30. The young adult percentage of the federal workforce may be even lower now, after two more years of the Trump Administration’s repeated attacks on the federal workforce—which have likely made federal jobs less attractive to young adults. Younger workers of color are particularly underrepresented in the civilian federal workforce: of the more than 2 million civilian federal workers, only 61,000 are workers of color under the age of 29.

**Racial & Gender Inequity in the Federal Workforce**

The Woodrow Wilson Administration imposed extreme racial discrimination in the federal government workforce, and it was largely maintained until the 1960s. The segregation and discrimination of the federal government workforce had measurable effects throughout the labor market that increased wage inequality between Black and white Americans.

Currently, people of color—and women—remain underrepresented in the federal government’s senior positions. Federal employees of color fill 53 percent of clerical positions but are just 31 percent of the professional workforce. Of the Senior Executive Service (SES), only 21 percent of members are people of color, while just 34 percent are women.

While Black individuals make up 12 percent of the American workforce, they fill 19 percent of all federal government jobs. This suggests that despite racial inequities particularly in senior positions, the federal government is a key employer of Black individuals.

**Background**

The Obama Administration issued two executive orders focused on the federal workforce that are relevant to this proposed action—one on students and recent graduates and another on a coordinated government-wide initiative to promote diversity and inclusion.
PRESIDENT OBAMA’S EXECUTIVE ORDER ON RECRUITING & HIRING STUDENTS & RECENT GRADUATES

President Obama’s Executive Order 13562 focused on the importance of—and barriers to—federal hiring of students and recent graduates. This 2010 order explained that the federal government “benefits from a diverse workforce that includes students and recent graduates” but is at a disadvantage in hiring them because of the competitive hiring process for the federal civil service, which is complex and structured to favor job applicants with significant previous work experience.

To improve federal hiring of students and recent graduates, EO 13562 established the Pathways Programs. Like positions in predecessor programs, Pathways positions are in the excepted service (Schedule D) and not subject to some hiring procedures necessary for the competitive service. The three programs making up the Pathways Programs are:

- The Internship Program: For current students in high school, college, trade school, or other qualifying educational institutions. This paid program provides opportunities to work in federal agencies and explore federal careers while completing one’s education.

- The Recent Graduates Program: For those who have completed, within the past two years, a qualifying associates, bachelors, masters, professional, doctorate, vocational or technical degree or certificate. This paid program lasts one year and includes career development with training and mentorship.

- The Presidential Management Fellows (PMF) Program: For recent graduates with an advanced degree. In this existing paid program, strengthened by the EO, fellows are placed at a federal agency and participate in leadership development opportunities in addition to their full-time jobs.

A 2016 Office of Personnel Management (OPM) report found that the Pathways Programs were successfully bringing in young employees who intended to remain in the federal workforce. Ninety-three percent of Pathways appointees surveyed planned to remain at their current agency or continue to work in the Federal Government in the immediate future. There were a total of 14,979 Pathways appointees in 2014, but Pathways programs represented a relatively small portion of federal agency hiring. The Pathways Programs hired a higher percentage of women (48.3%) than were hired under the process used to fill competitive civil service jobs (40.4%). Race and national origin demographics for Pathways Program participants were similar to the federal workforce overall.

A recent Partnership for Public Service report discusses the importance of the Pathways Programs to The Federal Deposit Insurance Corporation’s (FDIC) entry-level hiring of bank examiners. The FDIC has two Pathways internship programs for students. The Financial Management Scholars Program (FMS) is a 12-week summer internship program. The Financial Institution Intern (FII) Program is a part- or full-time internship program that is active year-round and may last up to one and a half years. According to the PPS report, “Between 2014 and 2018, 54% of FMS interns and 46% of FII interns were converted into entry level examiners. In
the last six years, nearly 40% of all entry level examiners hired by the FDIC were former interns.”

Studies by the Great Democracy Initiative and the Partnership for Public Service have identified limitations in the current implementation of the Pathways Programs and have offered solutions. The GDI study noted that the “Pathways Programs have had positive results, but administrative constraints have limited their impact.” The primary issue is the mandate requiring that Pathways opportunities are posted on USAJOBS and that all applications are accepted into the pool regardless of agency need or circumstance. This mandate can result in applicant pools that are unmanageably large, particularly when combined with agencies’ limited capacity and tools and rigid processes (due to administrative constraints) to assess thousands of applicants. The manner in which veterans preference is applied can worsen these challenges, sometimes resulting in the rejection of all nonveteran applicants without regard to their relative qualifications. The reduced ability to hire overall, due to budget restrictions, also limited agencies’ use of the Pathways program. As discussed below, this proposed executive order aims to address these challenges.

Despite a change in administration from one party to another, Executive Order 13562—and the programs it created—are still in effect.

Beyond the Pathways Programs, federal government workforce opportunities geared towards young people include internship programs at various agencies and the Virtual Student Federal Service (VSFS). In this program, unpaid interns work virtually and part-time on projects from government agencies.

**PRESIDENT OBAMA’S EXECUTIVE ORDER ON DIVERSITY & INCLUSION IN THE FEDERAL WORKFORCE**

President Obama’s executive order 13583, issued in 2011, focused on the importance of diversity and inclusion in the federal workforce. It explained, “Our Nation derives strength from the diversity of its population and from its commitment to equal opportunity for all” and “Our greatest accomplishments are achieved when diverse perspectives are brought to bear to overcome our greatest challenges.” The EO stated that the federal government must “challenge itself to enhance its ability to recruit, hire, promote, and retain a more diverse workforce” and “create a culture that encourages collaboration, flexibility, and fairness to enable individuals to participate to their full potential.”

The EO established a government-wide initiative to promote diversity and inclusion in the federal workforce. It directed OPM and OMB to develop and issue a Government-wide Diversity and Inclusion Strategic Plan highlighting strategies for agencies to identify and address barriers to equal employment opportunity in the federal workforce. In turn, all agencies were responsible for implementing the government-wide plan, developing an agency-specific diversity and inclusion strategic plan, implementing these plans, and reporting regularly on progress.
The Trump Administration abandoned the goals of Executive Order 13583. OPM’s strategic plan for fiscal year 2018-2022 (published during the Trump Administration) does not include diversity as an agency goal, and mentions the word “diversity” only when noting the wide variety of agencies that constitute the federal government. In contrast, OPM’s 2014-2018 strategic plan (published during the Obama Administration) emphasized workforce diversity and included the goal to “Attract and engage a diverse and effective OPM workforce.”

In addition to instituting EO 13562 and EO 13583, the Obama Administration also sought to reduce inequities in hiring opportunities for people affected by the criminal legal system. These efforts included “banning the box” in federal employment policy and hiring individuals, through the Second Chance Fellowship at the Department of Justice, who had been incarcerated.

**Proposed Action**

The Biden Administration should issue an equity-focused executive order to increase young adult recruitment, hiring, retention, and advancement in federal government jobs—in the Washington, DC area and around the country. Ideally, this EO would be part of a much larger initiative to expand opportunity for young adults. The EO should emphasize equity in terms of race, gender, and financial circumstances. Beyond the critical changes in policy and practice, this EO would help change the narrative in many important ways after the Trump era.

OPM would lead this effort but the Department of Labor would play a key role in a variety of ways, including recruitment through American Job Centers across the country.

**Note:** Federal contracting and agency procurement are outside the scope of this memo, but they allow the government significant influence over millions more jobs—including high-wage jobs that do not require a four-year college degree. They are an essential way for the federal government to advance equity and ensure opportunities for young adults, including Opportunity Youth.

The order would take the following steps both within and beyond the Pathways Programs:

**UPGRADE & EXPAND PATHWAYS PROGRAMS**

1. **Remove barriers to equity—and implement proactive measures to boost equity—in the Pathways Programs and other federal workforce programs for students.**
   a. Conduct a review of Pathways Programs and other federal workforce programs for students to identify and address barriers to equity, such as inadequate payment or lack of payment. For example, unpaid internships would become fairly-paid internships to make them accessible to low-income young people.
2. Increase diversity in the Pathways Programs by establishing diversity goals and formal recruiting programs at institutions predominantly serving students of color and at a range of types of postsecondary institutions and programs.
   a. OPM would set goals for the diversity of Pathways appointees and set requirements for the diversity of the applicant pool.
   b. OPM would proactively recruit students from HBCUs, Tribal Colleges and Universities, Hispanic Serving Institutions and other institutions predominantly serving students of color to reduce barriers for students of color to seek employment in the federal government.61
   c. OPM would proactively recruit at a range of types of postsecondary institutions and programs—including community colleges, professional, technical, vocational, and trade schools—to reduce barriers for students from low-income backgrounds to seek employment in the federal government.
   d. OPM would report to the president on these recruiting efforts as well as the diversity of the Pathways applicant pool and Pathways hires.

3. Address administrative and capacity challenges that interfere with agencies’ use of Pathways Programs.
   a. Informed by consultation with agencies, OPM would address administrative challenges interfering with agencies’ use of Pathways Programs, including by updating regulations and guidance if needed.
   b. At each agency, staff capacity focused on the Pathways Programs would be increased.
   c. In the longer term and with sufficient capacity, OPM could create a new centralized applicant screening process to oversee Pathways applications—as proposed by The Great Democracy Initiative. This way, candidates could apply to Pathways through OPM rather than specific agencies. OPM would perform initial screenings and provide recommendations to individual agencies, informed by agencies’ needs.62 This centralized screening process could be easier for agencies, but agencies would still be encouraged to recruit and hire for Pathways on their own schedule, depending on what worked best for them.63

4. Significantly expand the number of slots for existing Pathways Programs.
   a. Set a goal to boost annual appointments to reach 100,000 Pathways appointees per year by the end of the Administration’s first term. In 2014 (the most recent year for which statistics are available), there were a total of just 14,979 Pathways appointees.64

5. Require agencies to include Pathways in their strategic plans and regularly report Pathways data to OPM and to the President.
   a. Agencies’ strategic plans would discuss their strategy and goals for the Pathways program.
b. Agencies would regularly report Pathways data on recruitment, hiring, retention, and advancement. This data would be disaggregated by groups including race, gender, and age.

BEYOND THE PATHWAYS PROGRAMS

6. Issue an updated and strengthened version of Executive Order 13583 to foster diversity, equity, and inclusion within the federal workforce.
   a. Issue an updated and strengthened version of President Obama's EO 13583: Establishing a Coordinated Government-wide Initiative to Promote Diversity and Inclusion in the Federal Workforce, including equity and inclusion goals.

7. Establish a young adult advisory council focused on strengthening young adult opportunity in the federal workforce.
   a. The council would consider federal government practices and advise on how to improve federal government recruitment, hiring, training, retention, and advancement and for young adults, particularly young adults facing barriers. It would produce public reports and advise the federal government on engaging young adults in shaping these processes.
   b. The council would center young adults of color, young adults with low incomes, young women, Opportunity Youth, and young adults who have had involvement with the criminal legal system.

8. Direct OPM to assess and address barriers in the competitive hiring process to hiring young people, including young people facing barriers.
   a. With significant input from young people, OPM would identify and address barriers to hiring young people into the federal government—such as lengthy application and hiring processes, and the ways in which entry-level hiring favors job applicants with significant previous paid work experience and costly credentials.
   b. OPM would assess and address any remaining barriers, following the passage of the Fair Chance Act in 2019, to federal hiring of people with a record of criminal legal system interaction.
   c. OPM would consider additional best practices in hiring young people facing employment barriers from state, local, and tribal efforts around the U.S., including the Targeted Local Hire Program in Los Angeles.

9. Improve young employees' inclusion, retention, and opportunities for advancement within the federal workforce. This effort requires OPM and agency-level action.
   a. OPM and agencies would increase training, leadership, mentorship, coaching, and detail opportunities to support young adults’ development, retention, and advancement. These programs would incentivize mentors’ and coaches’
participation. These professional development and mentoring opportunities are critical for a variety of reasons including advancing racial equity.

b. To reach audiences both inside and outside of government, engage high-level White House, OPM, and agency leaders in highlighting the importance of the Pathways Program and, more broadly, young adults in the federal workforce.

c. To improve inclusion as well as organizational structures and processes, request and act on young adult employees’ feedback and ideas. Engage them as partners in implementing solutions.

d. Bolster young adult employees’ retention and advancement by ensuring they have opportunities to interact with each other.

e. Learn from young adult employees what barriers they are facing related to maintaining employment, and help them access support—perhaps by developing or strengthening partnerships with foundations that invest to improve opportunities for young adults.

f. Clarify pathways for transitioning from one type of position to another, such as from an administrative position to a research or policy position.

10. **Direct OPM to make available on its website easily accessible, annually-updated data relevant to this EO.**
   a. Include annual data on federal workforce hiring, retention, and separation by (at minimum): age, race/ethnicity, gender, and type of position.
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Endnotes


27. “Table: Diversity - December 2019.” Office of Personnel Management, retrieved on 10 December 2020. Available at www.fedscope.opm.gov/ibmcognos/bi/v1/disp?_action=powerPlayService&m_encoding=UTF-8&BZ=1AAABmafF8lx42m1OXWuDQBD8M7emfWfYjYgZEXBx"U84jQahp9L8ZcgTr0UCn03xeVf1fZpZGxasPFvmRXalE_UPY9ebrNORUAFOrmwVngaOsFIOMLQ0KZ6gehJwm4tL2sHByi3T4adj5BV107mnY6HPXnExPbgkOt_XVkK1W_7J6LS9meFH1m_mHnxfkas_rYcfŗu"-TAR_LAYlbkeTU9gsPSmqKXyaB1laRPHKZKlafAU_7m5jZ_2fJW_OyfmyYVklZcMHCZQEW4ULqatppoEE4GDpH2HRuqH0u"SMLwpZgM8FlwpHgLYL8FsQMgj3Zf0DONLelzDxlhQUfSIRn6A%3D%3D.
32. Georgetown Center on Poverty and Inequality’s calculations using 2018 1-Year ACS PUMS Person File.