If America is to sustain and increase its competitiveness in the global economy, then it must fully commit to increasing the diversity of its workforce. Researchers at the Center for American Progress outline the benefits of a diverse workforce in very simple terms: “Businesses that embrace diversity have a more solid footing in the marketplace than others” (Kerby and Burns 2012). Diverse workforces drive economic growth and can capture a larger share of the consumer market. Recruiting from a diverse talent pool increases the likelihood of a more qualified workforce, mitigates the costs of employee turnover, and fosters greater creativity and innovation. In addition, heightened diversity among a board of directors will increase corporate proficiency (Kerby and Burns 2012). Historical analysis confirms the benefits of diversity. In a landmark study, Ashraf and Galor (2011) conclude that cultural assimilation and cultural diffusion between the years 1820 and 2000 have positively impacted global economic development.

To meet the demand for well-educated, well-qualified, and diverse talent, inroads must be made to broaden and improve educational attainment among African Americans and Hispanics, who make up 14 and 17 percent of the population, respectively (U.S. Census Bureau 2016). This is particularly important given the growing diversity in this country—Hispanics are expected to make up 30 percent of the U.S. population by 2050 (Kaiser Family Foundation 2013).

One effective and expedient means of addressing this pipeline for well-qualified talent, creativity, and innovation is to identify and support relevant programming among the nation’s 101 Historically Black Colleges and Universities (HBCUs). An HBCU, as officially defined by the
United States Congress in Title III of the Higher Education Act of 1965, is an institution that was accredited and established before 1964 for the primary purpose of educating African Americans. One common thread among HBCUs is the enrollment of low-income students who would be unable to matriculate without the assistance of Pell Grants—funding provided to bridge unmet financial need. While some question the relevance of the nation’s HBCUs, other observers recognize that these unique institutions excel in creating diverse and successful talent that, as a result, engender greater economic and cultural success for employers.

Although HBCUs were created to educate African Americans, most have been racially diverse from inception. Clark Atlanta University, for example, was established in 1988 through the consolidation of its parent institutions, Atlanta University (1865) and Clark College (1869), both of which were founded by the Freedman’s Bureau and administered by the leadership of the United Methodist Church. From its inception, Atlanta University included white faculty and students.

Today, the diversity of the nation’s 101 HBCU campuses varies. In 2016 for example, Clark Atlanta University had 83 percent African American students, 4 percent international students of numerous races, and less than 1 percent Hispanic, Asian, and white students (Clark Atlanta University 2017). Howard University in Washington, DC, and Hampton University in Virginia follow similar trends. Conversely, at Bluefield State College in West Virginia, African American students make up only 9 percent of the population, while white students constitute 85 percent (College Factual 2017).

PATHWAY TO ACADEMIC PARITY

Like their non-HBCU counterparts, America’s HBCUs provide a comprehensive academic experience, preparing students to enter and compete in the U.S. labor force. HBCU graduates account for 40 percent of the African American members of the United States Congress, 12.5 percent of African American CEOs, 40 percent of African American engineers, 80 percent of African American judges, half of African American lawyers, and half of African American professors at non-HBCU institutions (Thurgood Marshall College Fund 2015). HBCUs
are particularly effective in producing African American professionals in STEM fields. For example, HBCUs generate one-third of African American students with biological and mathematics degrees and close to 20 percent of all African American students with engineering degrees (New America 2015).

According to a 2017 study published by the Education Trust, HBCUs outperform predominantly white institutions (PWIs) in graduating low-income black students (Nichols and Evans-Bell 2017). On one hand, the average six-year graduation rate for African American students in the nation’s HBCUs (32 percent) is lower than for African Americans at the 676 non-HBCU institutions included in the study’s sample. However, at least 40 percent of freshmen enrolled at four-year HBCUs receive Pell Grants, and roughly half of all HBCUs enroll a freshman class with three quarters of low-income students. Upon closer examination, when stratified according to the percentage of low-income freshmen enrolled, HBCU graduation rates exceed those of non-HBCUs, as seen in Table 15.1 (Nichols and Evans-Bell 2017).

<table>
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<th>Table 15.1 Average Institutional Graduation Rates among HBCUs and Non-HBCUs, Based on Enrollment of Low-Income Students</th>
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<td>Graduation rate among African American students (%)</td>
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**RESPONSE TO ECONOMIC DISPARITY**

There is no disputing existing income and wealth inequality across the nation’s economic landscape, especially with regard to racial dis-
parities. A Pew Research Center report (2016) shows that U.S. households headed by a black person earn on average a little more than half of what average white households earn. White households are, in turn, approximately 13 times wealthier than black households. Despite seismic shifts in the global marketplace, the key to financial well-being remains completing a college degree (Pew Research Center 2016).

Given these disparities, HBCUs can play an important role in bridging the gap between educational attainment and economic mobility. A 2017 study (Chetty et al. 2017) evaluating college students’ economic mobility found that only 3.8 percent of students at “Ivy Plus” institutions (the eight Ivy League institutions, plus University of Chicago, Stanford, MIT, and Duke University) come from households at the bottom quintile of the income distribution. Researchers also determined that students who come from families in the top 1 percent of income distribution were more likely to enroll at Ivy Plus institutions than the entire bottom half of the distribution. The study concludes that, while there is substantial variation in mobility rates across the higher education institutions, “increasing low-income access to colleges with good student outcomes could increase the contribution of higher education to upward mobility” (p. 41). According to a Brookings analysis (Reeves and Joo 2017), a larger share of students at HBCUs come from families in the bottom income quintile compared to the average across all U.S. colleges and universities. The New York Times (2017) uses the Chetty et al. data to show that of 69 higher education institutions studied in Georgia, the top 5 with the highest share of students who moved up at least two income quintiles as adults are HBCUs.

A BEACON OF HIGHER EDUCATION

The importance of HBCUs goes beyond their success in producing baccalaureate and postbaccalaureate graduates who are well-educated, well-equipped, and fully motivated to enter and excel in the global workforce. These institutions are a key part of the ecosystem in their respective communities, directly engaging with community partners to improve the quality of life in both urban and rural underprivileged neighborhoods. They facilitate interest among many black
youth in going to college, whether they end up attending an HBCU or non-HBCU. HBCUs are active in college fairs, are part of black college bus tours, and serve as a beacon of higher education for many young African Americans who watch in amazement the annual homecoming parades that troop through their neighborhoods every fall.

THE UNSEEN HBCU ADVANTAGE

For low-income students who aim to participate in the global knowledge economy, HBCUs offer academic rigor and opportunity for economic mobility. Beyond the prospect of degrees and income, HBCUs also foster students’ sense of belonging, self-esteem, and self-actualization. While African American students at non-HBCUs may perceive themselves as “others,” HBCU students experience an innate sense of belonging, owing in part to the homogeneity of their campus communities, their immersion in social history, and their common social values, economic circumstances, experiences, and goals.

HBCU graduates, in general, do not depend on workplace culture or other postcollege environments to self-actualize. They typically begin careers with their sense of belonging already satisfied and therefore are able to engage more fully in organizational goals, leading to increased individual and corporate success. This is not to say that non-HBCU African American graduates cannot have positive post-secondary experiences, self-actualize, develop strong self-esteem, and be successful. However, the transformative process that takes place within HBCUs creates a social, cultural, and organizational balance that forms a springboard for workplace assimilation, engagement, and, ultimately, success.

A MEASURE OF WELL-BEING

The 2015 *Gallup-USA Funds Minority College Graduates Report* indexes responses collected from almost 56,000 adults of all races who received bachelor’s degrees between 1940 and 2015. Research-
ers measured respondents’ well-being based upon five elements: purpose, social, financial, community, and physical. In particular, black HBCU graduates are more likely to have strong purpose and financial well-being than black graduates who did not receive their degrees from HBCUs. Over half of black HBCU graduates strongly agreed that their university prepared them well for life outside college, compared to less than one-third of black non-HBCU graduates. More black HBCU graduates noted being engaged in their work, which positively influences employee productivity and well-being. Black students at HBCUs were also more likely to work on long-term projects, secure internships, and participate in extracurricular activities, indicating greater opportunities for workforce preparation.

The *Gallup-USA Funds Report* survey asked respondents about three specific support structures during college: 1) professors who made them excited about learning, 2) professors who cared about them as people, and 3) a mentor who encouraged them to pursue their goals and dreams. The report asserts that “black graduates of HBCUs are more than twice as likely as black graduates of non-HBCUs to recall experiencing all three support measures” (p. 5).

The depth of support that African American graduates at HBCUs received, notably having at least one professor who made them excited about learning and having a mentor who encouraged them to pursue their goals and dreams, increased the likelihood that they were engaged in the postcollege workplace and thriving across all five measures of well-being. In addition, African American HBCU graduates who had at least one professor who made them excited about learning and/or who had a mentor were more likely than black non-HBCU graduates to be engaged at work.

### MOVING FROM COMMON GROUND TO HIGHER GROUND

The network of 101 HBCU institutions comprises a premium pipeline of talent, intellect, and creativity, undergirded by an increasing focus on innovation and entrepreneurship. Although they vary greatly in size, affiliation, enrollment, and programming, HBCUs share simi-
lar rocky ground, owing, in part, to lack of funding. This prevailing burden is compounded by the fact that the overwhelming majority of HBCU students cannot afford the cost of a college education. Reliance on grants and loans from private or government sources precipitates massive student debt and, often, loan defaults. HBCUs are more likely to enroll first-generation college attendees, such that many students need mentoring and coaching along with traditional academic advising because they are underprepared for college level work (New America 2015).

For more than 180 years, these historically disadvantaged, underfunded institutions have transformed low-income, economically disadvantaged, socially disenfranchised students into productive, highly capable employees. If HBCUs are to prosper and continue as a significant component of America’s labor pipeline, they will need to be strengthened through more robust and intentional policies and practices. While the literature of higher education is replete with prescriptions on how colleges and universities can provide better labor market outcomes for their graduates, broader support of Historically Black Colleges and Universities will exponentially increase their capacity to diversify, strengthen, and increase the competitiveness of the U.S. labor force in the global marketplace.

References


Johnson


