

EVOLVING CORPORATE PARTNERSHIPS WITH HBCUS AND PBIS

A White Paper for Corporations Seeking to Understand and Transform their Partnerships with Historically Black Colleges and Universities, and Predominately Black Institutions

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Executive Summary

As the focus on supporting, recruiting, and comprehensively engaging with Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs) continues to increase, the realities of the disconnect between how these institutions are perceived and engaged by corporations¹ across the United States looking for skilled workers from underrepresented racial communities grows ever more glaring. The history of corporate recruiting has traditionally been seen through the lens of “all colleges are the same” and/or focusing upon recruiting from well-known, well-resourced universities² such as Harvard, Yale, University of Chicago and other highly lauded Predominately White Institutions (PWIs). The nuances of cultural and racial experiences in recruiting or operationalizing talent sourcing have created significant friction between students, faculty, career services departments, partnership managers, and corporate recruiters. Approximately one in eleven Black college students in America are enrolled at an HBCU.³ These colleges and universities serve as rich places for companies to partner with and invest in future alumni talent, especially as companies face increased pressure to diversify their workforce. Particularly, since the murder of George Floyd in May 2020 by Minneapolis, MN police and the ensuing racial justice reckoning that spread across the US and the globe, millions of new dollars⁴ in investment capital, workforce professionals, and marketing have been invested in increasing the positive connections between colleges and corporations. **This white paper seeks to approximate the causes for several of these challenges, while also being solution-oriented by providing recommendations for corporate and collegiate leaders.**

The following are recommendations for companies, HBCUs, and PBIs to consider:

-  It is clear that there must be a shift in how, and how often, colleges/universities communicate their needs for funding and current opportunities for partnerships. Corporate partners, as well as intermediary agencies, are often at a loss for understanding the breadth and specific needs of specific collegiate institutions. Annual reports are not providing the information that financial and partnership decision-makers need to make informed decisions about philanthropic or other forms of support. HBCUs and PBIs must increase the transparency of their budget and strategic vision for student and infrastructural spending.
-  Companies do not have a consistent mechanism for evaluating if their relationships with HBCUs and PBIs are genuinely mutually beneficial. Many HBCUs and PBIs have specific needs that are either not being considered or met by corporate partners, particularly support beyond student scholarships.
-  Companies should audit their internal hiring and pipeline practices to align with the various capacities of HBCUs and PBIs. There is a vast difference in the operational, staff, and financial resources of each collegiate institution, and this nuance is not being sufficiently understood or considered by corporations seeking to recruit from or financially support HBCUs and PBIs. There is a vast network of intermediary partners who share the goals of connecting students to careers, increasing scholarship funding, and ensuring the infrastructural sustainability of HBCUs and PBIs (such as UNCF, MLT, and other organizations). More corporations should support the utilization of these types of intermediaries to create efficiencies and specialized knowledge of HBCUs and PBIs.

¹Douglas-Gabriel, D. (2021, July 30). 'We're still behind': Public HBCUs see record investments, but still contend with legacy of state-sponsored discrimination. The Washington Post
²Rivera, L. (2015, October 23). Firms Are Wasting Millions Recruiting on Only a Few Campuses. Harvard Business Review.
³The NCES Fast Facts: HBCUs. National Center for Education Statistics (NCES), a part of the U.S. Department of Education.
⁴Jan, T. et al. (2021, August 23). Corporate America's \$50 billion promise. The Washington Post.



Both corporations and collegiate institutions are undergoing a transformation in their culture and operations to better align with their increasing investments in Diversity, Equity, and Inclusion. However, there is not a sufficient matching up of talent goals and cultural nuances that HBCU or PBI graduates have/expect when moving into a job with what is actually being done to advance DEI and cultivate a culture of belonging in corporate environments (particularly, traditionally White-staffed, culturally conservative fields such as law, finance, medicine, and business). DEI Assessments should be undertaken by more corporations, and the ensuing strategies should more closely look at specific racial equity goals and accountable activities to ensure that Black and Brown candidates are recruited, retained, and believe that their racial identity and cultural nuances are not sacrificed in the name of assimilation and career success.

What are HBCUs and PBIs and Why Do They Exist?

Historically Black colleges and Universities (HBCUs) and Predominantly Black Institutions (PBI) serve thousands of students each year. HBCUs, largely created due to legal segregation in America during the post-slavery Jim Crow Era that lasted until the mid-20th Century, were formally recognized by the US government in the wake of the Civil Rights Act of 1964 through the Higher Education Act of 1965.⁵ Prior to their official recognition by the government, HBCUs were a rare place that offered Black students access to higher levels of formal education during a time otherwise plagued by discouragement and/or the outright legal denial of their attendance. Black Americans were, for the most part, not allowed to study or practice various vocational skills near or in place of White Americans. They were often built and funded through the donations and fundraising of the few Black Americans or church institutions who had access to more substantial economic and capital resources (including those who were formerly enslaved, such as Booker T. Washington (founding leader of Tuskegee University)). Today, in addition to providing resources and empowering students through education, these institutions often offer Black students a strong sense of community and pride, with Black students rating higher levels of satisfaction at HBCUs than at PWIs. As of the year 2022, there are 101 HBCUs, the vast majority of which are in southern states. These are comprised of 52 public institutions and 49 private nonprofit institutions.⁶ While initially founded with a focus on Black students, HBCUs enroll students of many races and ethnicities. In 2020, non-Black students made up 24% of enrollment at HBCUs, nationwide.⁷

Conversely, PBIs were not recognized by Congress until 2007, which allowed them access to Department of Education funding.⁸ There are currently 104 PBIs, primarily located in the Southeast. On average, 53% of PBI populations are comprised of Black students; however, PBIs are not HBCUs or Hispanic Serving Institutions (HSIs), and do not have a missional priority to specifically serve Black students.⁹

In addition to more racial and ethnic diversity, HBCUs and PBIs have more economic diversity, with 60% of HBCU students eligible for Pell Grants. This is almost twice the national average of 33% among non-HBCU students, compared with an average of 15-20% at Ivy League colleges.¹⁰ The high number of low-income students, paired with a lack of financial resources at the institutional level, has led to issues of housing instability and food insecurity across HBCUs and PBIs. Moreover, HBCUs and PBIs lack the endowment of predominantly white institutions. Altogether, the ten largest HBCU endowments in 2020 totaled \$2 billion, compared to \$200 billion across the top 10 PWI endowments.¹¹

⁵ (2015, January 1). Historically Black Colleges and Universities (HBCUs): A Background Primer. New America

⁶ The NCES Fast Facts: HBCUs. National Center for Education Statistics (NCES), a part of the U.S. Department of Education.

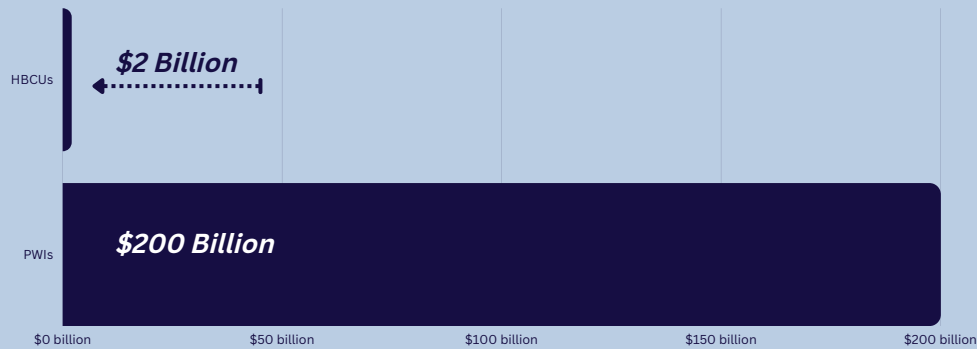
⁷ The NCES Fast Facts: HBCUs. National Center for Education Statistics (NCES), a part of the U.S. Department of Education.

⁸ Jones, B. (2022, August 22). Predominantly Black Institutions: Pathways to Black Student Educational Attainment . Rutgers GSE CMSI.

⁹ Jones, B. (2022, August 22). Predominantly Black Institutions: Pathways to Black Student Educational Attainment . Rutgers GSE CMSI.

¹⁰ National Center for Education Statistics. (n.d.). Percent of undergraduate students receiving Pell grants. Trend generator. Retrieved from <https://nces.ed.gov/ipeds/TrendGenerator/app/answer/8/35>

¹¹ Broady, K. E., Perry, A. M., & Romer, C. (2022, March 9). Underfunding HBCUs leads to an underrepresentation of Black faculty. Brookings.



While HBCUs and PBIs serve high numbers of Black, low-income, and other students of color, HBCUs are not a monolith. From the specialization of the schools to curriculum support to admissions, the schools are operated and managed in different ways. These differences provide opportunities for investment in solutions that fit the needs of corporate and school partners.

Culturally, HBCUs and PBIs are seen as tremendous assets to the African American experience in America. From Black Greek Life--where young people, pledged adults, and alumni share experiences, resources, and an affinity for uplifting Black creativity and history through their participation in clubs, job fairs, fundraisers, barbecues, homecoming celebrations, and city chapter activities--to Diversity, Equity, and Inclusion initiatives designed to recruit and advance more Black persons into jobs where former HBCU/PBI graduates are employed, these institutions connect hundreds of thousands of people across America.

On a more nuanced level, they are seen as a rare space for cultural affinity and safety for Black persons. As opposed to colleges that are PWIs, HBCUs and PBIs tend to adopt a concrete and unreserved centering of the cultures and expectations of people of color in America while also providing significant educational experiences. As one HBCU admissions officer noted to Justice Informed, “you’ll have the rest of your life to assimilate, be seen as an “other,” and be judged by how much you can mask who you are in the employment market in America...spend four years of your life being celebrated and at ease among people you don’t have to convince of your value.” Many HBCUs and PBIs have counselors who work with students to prepare them for the psychological, emotional, and culture shock of entering corporate America, where they are far less likely to see a significant population of people that look like them, live around them, or have a keen awareness of the importance of the cultural and racial distinctions that Black Americans carry.

Corporate Participation in HBCUs and PBIs

Since 2020, unprecedented amounts of money have been donated to HBCUs with corporate partners looking to invest in talent development programs that help diversify their workforce. **Though corporations have increased their rate and amount of donations, few companies or individuals provide unrestricted gifts to HBCUs and PBIs.** Many donations to HBCUs either go to specific projects, through intermediary institutions such as UNCF, or to scholarship funds. Several corporate representatives who spoke with Justice Informed corroborated this, noting that they primarily look to fund scholarships while assuming that the HBCU/PBI fully prices its costs through the price of education.

The thought is that by funding scholarships, their dollars are seen as somewhat unrestricted. This was a serious departure from the testimonies of HBCU and PBI representatives, who noted that educational fees from students certainly did not cover the entire cost of operating and growing the institutions they led. Many HBCUs have serious needs for building repairs, new institutions to match the various changes of the 21st century, increased funding for technology and communications infrastructure, and more. They lack the teams of fundraisers that PWIs tend to have, and also receive less public and alumni funding than PWIs. Corporate donors are critically important. This pointed to a missed opportunity for both parties to better understand one another as it pertains to financial management, costs, and financial need. Corporate representatives noted to Justice Informed that they would appreciate more transparency and depth of reporting of the specific needs that the collegiate institutions that approach them have, and to be educated more thoroughly about what need exists beyond scholarships.

McKenzie Scott provided a rare example of private philanthropy in her donation of more than half a billion dollars to more than a dozen HBCUs, spanning from Howard University and North Carolina A&T to Prairie View A&M University.¹² In addition to private investment, the federal government, through the American Rescue Plan, invested several billion dollars into HBCUs to support infrastructure and capital projects.¹³

HBCUs and PBIs must invest more in financial and impact reporting, while adding more specificity to their requests for support. Universities and colleges often share annual reports with alums and donors. These reports should detail where corporate partnerships support scholarship and long-term investment in infrastructure. It is incumbent upon HBCUs and PBIs to communicate the story of what their ask of companies require and share their infrastructural and operational needs. Moreover, corporate partners are encouraged to better understand how consistent ongoing financial support to HBCUs and PBIs to fund not only young people who may be future employees of their corporations, but how funding the collegiate institution’s overall sustainability and growth will add to a more inclusive American workforce. Beyond funding scholarships, some organizations invest in HBCU technological infrastructure needs, including student devices and customized campus support. Such access to laptops and internet connectivity are directly correlated with success in academic courses, with 17% of White students facing issues of technology inadequacy, compared to 29% of Black students and 28% of Latinx students.¹⁴

Trust and follow-through by corporations creating recruiting initiatives are key. Intentional partnership with HBCUs and PBIs requires trust. Historically, corporations have failed to consider university and student perspectives and sustainability needs, focusing primarily on surface-level diversity initiatives driven by their own goals. For example, one tech firm invested \$5 million into scholarships, technological infrastructure, and career readiness programs called “Pathways to Tech”; however, the financial sum fell short when the program was extractive and mismanaged. The Howard West program, another tech firm initiative, was described by students and faculty as disorganized and engaging in shifted priorities, culture clashes, and microaggressions from firm employees to Black students.¹⁵ Moreover, while described as a pipeline program, few students received internships or jobs from the tech firm.

¹²Schlemmer, L. (2021, May 1). Nation's largest HBCU sees record-breaking donations. NPR.

¹³Ellison, M. (2021, October 4). Commentary: HBCUs can't Solve Tech's diversity problem alone. Fortune.

¹⁴Jaggars, S. S., Motz, B. A., Rivera, M. D., Heckler, A., Quick, J.D., Hance, E. A., & Karwischka, C. (2021). The Digital Divide Among College Students: Lessons Learned From the COVID-19 Emergency Transition. Midwestern Higher Education Compact.

¹⁵Elias, J. (2021, February 22). Google's program for Black College students suffered disorganization and culture clashes, former participants say. CNBC.

Comparatively, Apple and Southern Company have¹⁶ created a partnership with Ed Farm (a nonprofit organization) to build the Propel Center. The center is a hub for over a hundred HBCUs, creating efficiencies and connections for students and faculty. This model is somewhat similar to the corporate practice of creating Shared Service Centers/Hubs or the nonprofit practice of a Collective Action Network to reduce marginal costs of various sites for activities that they all must undergo in the normal process of operating a business.¹⁷

This removes the financial burden of each school providing a full spectrum of services and allows for collective learning. The Propel Center provides a curriculum focused on “AI and machine learning, agricultural technologies, social justice, entertainment arts, app development, augmented reality, design and creativity, career preparation, and entrepreneurship tracks.”



Companies should diversify their points of contact within HBCUs and PBIs beyond career services offices and staff. Career services and recruiting events are not always the most effective way to reach students. Companies should establish relationships with professors and staff to gain a more direct line with students. Campus career service offices are often pestered with requests for events, but students will only show up to events for companies they trust. This requires companies to have a deep understanding of faculty and curriculum. Companies that build the time and attention paid to relationships will have a competitive advantage as professors will vouch for their organization. This can also lead to natural adjustments to the curriculum as faculty learn what skills and learning are required of specific organizations.

Companies should audit their internal hiring and pipeline practices. While tech companies have invested heavily in improving technology and computer science curriculum at HBCUs, the number of diverse employees remains stagnant. Between 2014 and 2020, some of the country's largest tech companies did little in the way of making measurable progress toward increased Black and Latinx employee representation.¹⁸ While less than 5% of employees at major tech companies are Black, 9% of computer science graduates are Black, a portion that continues to grow. Critics cite the fact that internal processes and machine learning rank HBCUs as less “elite” than Ivys and other PWIs, resulting in discrimination throughout the hiring process.

Corporations should evolve the training and community engagement requirements for in-house college campus recruiters, and utilize intermediaries to create efficiencies and specialized knowledge of HBCUs and PBIs. In their partnerships, many corporations focus on creating pipelines for diverse talent from prominent name HBCUs without regard for how HBCUs and PBIs are often specialized.

¹⁶ Propel Center - Global HBCU Campus for Innovation. <https://propelcenter.org>

¹⁷ Propel Center - Global HBCU Campus for Innovation. <https://propelcenter.org>

¹⁸ Rooney, K. (2020, June 12). Tech companies say they value diversity, but reports show little change in last six years. CNBC.

Three-quarters of Black STEM graduates attend non-HBCUs, requiring corporations to think beyond partnerships with name-recognized schools such as Spelman and Howard. Intermediary organizations such as UNCF provide in-depth knowledge and relationships of programs, schools, and students that is invaluable to companies. Intermediary nonprofit organizations can also help fill in the programmatic gaps for schools that lack resources for career services, student life, or other departments.



Early career support is vital to Black advancement from K-12 through college, and into the workforce. Corporations' support of Black students can start far before students step foot on college campuses. A student's ideas or pathways into a meaningful career doesn't start at eighteen, or the age at which they begin college.

Many youth are already working before the age of eighteen, and unfortunately, if corporations only look to engage at the collegiate level, they miss the opportunity to excite and inspire young minds about the possibilities for their careers to intersect with the corporation's goals. Across America, nonprofit organizational intermediaries such as Chicago Scholars, The Academy Group, Target Hope, Posse Foundation, and others are meaningful partners to bridge the K-12-to-college pathway. Black and low-income students are less likely to access internships that lead to career opportunities and professional skills in many corporate environments that are in high demand and offer high wages.¹⁹ In addition, professional experiences provide students with exposure to mentors and careers they may not otherwise access as aspirational capital.²⁰ Companies can work with high school counselors and young students to support mentoring, individual counseling, and access to career services and exposure earlier. This support should continue through mentorship for young professionals who need to develop "professional skills" and provide open spaces for individuals to express frustrations and seek help from a professional network.

Organizational Culture and Accountability

As companies diversify their workforce, there must be an emphasis on DEI and company culture. HBCUs and PBIs can prepare their students with high-level skills, and intermediaries can provide professional development, but individuals still encounter cultural issues within many predominately White-staffed companies' cultures. Companies that do not address the cultural expectations, racially-specific needs, and aspirations of people of color risk limit their ability to retain Black employees. A focus on increasing hiring from HBCUs and PBIs must be simultaneously engaged with a dedicated, well-resourced, DEI strategy (not initiative) within the hiring company. **Companies should create organizational accountability and readiness through a DEI assessment and strategy.**

¹⁹ Lake, E. (2021, November 15). A Case Study of Black Students' perception of experiential learning at PWIs. National Association of Colleges and Employers.

²⁰ Lake, E. (2021, November 15). A Case Study of Black Students' perception of experiential learning at PWIs. National Association of Colleges and Employers.

Though there has been a marked rise in the interest and investment in DEI, many companies (particularly smaller ones) do not have an actual DEI strategy or even simple accountability measures (such as antiracism or bias training for staff, pay equity audits, or candidate diversity goals for new roles) in place. They may be pursuing DEI through an initiative (such as increasing hires of color), but that work is not supported or substantiated by having a comprehensive company strategy for work beyond workplace diversity. DEI assessments are a necessary first step in truly understanding how an organization's culture is felt and understood by staff. Organizations without an inclusive culture face high turnover and potential reputational threats. DEI assessments represent a commitment to DEI as a lens through which to view all work. DEI assessments articulate the actions an organization could and should take to strengthen its impact, focusing on developing an understanding of the competencies, capacities, and confidence for programmatic and leader-led DEI efforts. Assessments seek to understand and explain the cultural practices and norms that positively or negatively impact DEI within organizations. For more information on DEI Assessments, please visit www.justiceinformed.com/dei

Closing Summary

It is clear that there is much work to be done to both increase mutual understanding of the needs of corporations and HBCUs/PBIs, as well as to instill nuance into the partnerships between these two distinct sectors. Though they share many goals, the gaps in awareness of how each sector operates, the lack of sustained support for the general infrastructure of the institutions that provide hundreds of thousands of qualified candidates of color to American companies, and the challenges that each sector faces in committing to the broader work of social equity rather than just diversity, continues to impede progress.

Companies across the US have a tremendous opportunity to become meaningful participants in an ecosystem of social and economic progress for themselves and the communities that HBCUs and PBIs currently support. However, the mechanisms and goals of these partnerships must evolve to include the intersectional challenges that people of color--and the institutions that specifically support them--face.

Hyatt has plans to convene a follow-up HBCU Summit, bringing leaders from dozens of HBCUs and PBIs, corporate officers and recruiters, intermediary agencies that support these connections, and consultants that advance the work of DEI, recruitment diversity, and social equity. This event will be a powerful opportunity to hear individuals speak on what has been offered in this white paper, as well as to connect collegiate and corporate representatives in conversation and action.

For questions or inquiries about this white paper, please contact Xavier Ramey, Justice Informed CEO, at xavier@justiceinformed.com.

For ways to get involved in future actions or conferences reach out to Anna Radoff, Justice Informed DEI Lead, at anna@justiceinformed.com

For questions or inquiries about the HBCU Summit, please contact Alexia Huggins, Senior Manager-Diversity Talent Acquisition, Hyatt Corporation at alexia.huggins@hyatt.com or Dione Dyson, Manager of Inclusion, CDW Corporation at diondys@cdw.com.

The term "Hyatt" is used in this white paper for convenience to refer to Hyatt Hotels Corporation and/or one or more of its affiliates.

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