

City of Philadelphia Office of the City Controller

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Controller's Office Releases Review of Exempt Employee Diversity

Philadelphia, PA – The Office of the City Controller released its annual review of the diversity of the City of Philadelphia's exempt workforce in fiscal year 2020 (FY20). The review assessed departmental diversity for the City's at least 4,800 exempt employees, including new hires and new hires with salaries of at least \$90,000. The data breaks down exempt employees by department and race/ethnicity and the department's representation compared to the city's demographic breakdown according to Census data. Data was examined separately for City departments that fall under the Mayor's authority and for independent offices.

"After three years of reviewing exempt employee diversity data, my office has found only a slight improvement for departments under the Mayor's control. Most departments are over-represented with White employees. In total, White representation decreased from 48% in FY18 to 46% in FY20, driven by an increase in Asian hires – the only demographic to see an increase in representation compared to last year," said City Controller Rebecca Rhynhart. "Overall, the City's exempt workforce is still not diverse enough. The workforce should mirror Philadelphia's population because every decision made by government has an impact on the lives of our residents."

Using Census data as a benchmark, the review found that across all departments and independent offices, the racial and ethnic breakdown of the City's exempt workforce is not representative of Philadelphia's total population. According to the most recent Census data, Philadelphia's population is about 65.6% diverse (Black or African American: 38.3%; Hispanic: 14.9%; Asian: 8.3%; Other: 4.1%), however, diverse employees accounted for just 45.8% of the overall exempt workforce in FY20.

Under the mayor's authority, the exempt workforce was 53.6% diverse in FY20, a one percentage point increase over last fiscal year. This increase was largely driven by growth in Asian representation, with Asian employees accounting for 14.2% of new exempt hires in departments under the mayor. Asian employees were the only demographic to see improvement in the

departments under the mayor's authority compared to last year, increasing from 6.2% in FY19 to 7.1% in FY20. Comparatively, African American representation in departments under the mayor decreased from 36.3% in FY19 to 36.2% in FY20 and Hispanic representation stayed consistent at 7.4%.

The review also showed that exempt staff under the mayor's authority earning at least \$90,000, considered executive level staff, was less diverse than the overall exempt workforce. Diverse representation in these positions decreased as compared to last year, dropping slightly from 44.6% in FY19 to 43.8% in FY20. New executive level exempt hires were 60% White (24 of 40 employees), 20% African American and 20% Asian. Of note, departments under the mayor had no new Hispanic hires in positions earning more than \$90,000 in FY20.

Diverse employees were also under-represented in most independent offices.

The Controller's Office also sought to understand diversity trends in new hires in the FY20 review. As such, the Controller's Office asked a subset of departments additional questions about the hiring process for each of their new hires, identifying trends among five departments. Collectively, these five departments hired 332 exempt employees, or 60% of all new hires, in FY20. Of these departments, three (the Managing Director's Office, Law Department and Department of Public Health) were under the Mayor's authority and two (the First Judicial District and the District Attorney's Office) were independent offices. The departments under the Mayor stated that they used the City's diverse hiring guidelines. The District Attorney's Office, although an independent office, also stated it adopted the City's diverse hiring guidelines. It is important to note that representation in the District Attorney's Office has improved each year since FY18, driven by the improvement in new hires, which increased from just 34% in FY18 to 49.1% in FY20. The First Judicial District, however, responded that it had its own diversity initiatives, which included hiring a Diversity, Equity, and Inclusion Chief and creating a unit to focus specifically on maintaining fair and diverse hiring practices. Despite the steps taken by all five departments, the majority of their new hires, 55.1%, were White.

"The trends in new hires our office identified raises questions about whether the City's diverse hiring guidelines are working as intended. This finding warrants a deeper dive by the Kenney Administration to identify the root causes of why there is a lack of diversity among new hires," said Controller Rhynhart.

View the interactive diversity review here.