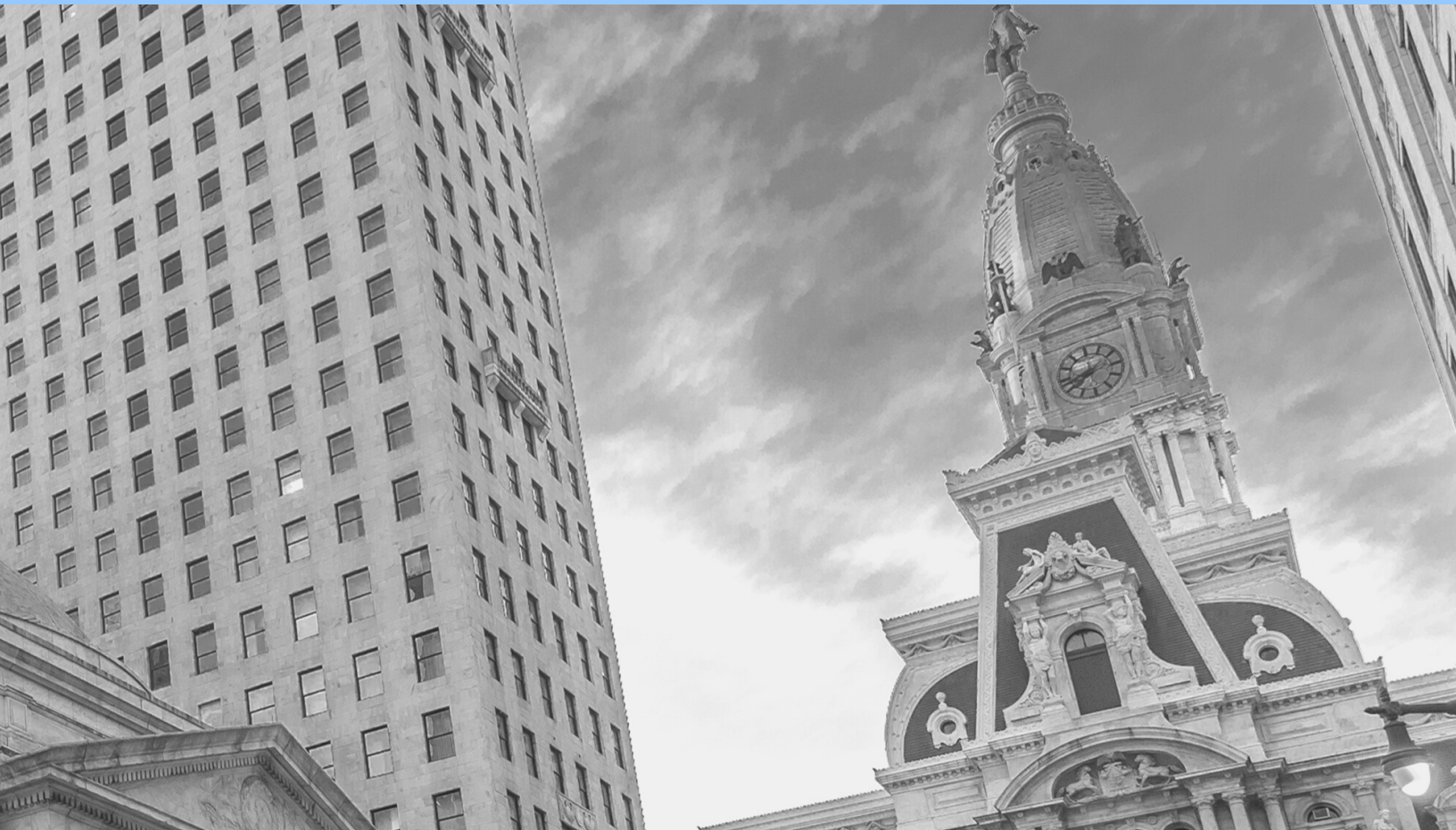


Fiscal Year 2020 Exempt Employee Diversity Review



City Controller
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October 2021

The City of Philadelphia employs about 4,800 people that are not hired through the civil service system, known as exempt employees. The demographics of this exempt workforce are a direct reflection of the City's hiring practices and can help evaluate the City's ability to hire diverse candidates and maintain an inclusive work environment. The exempt workforce includes employees at all job levels, including those in senior leadership positions, such as department and cabinet heads.

This review examines the racial breakdown of Philadelphia's exempt workforce at the end of fiscal year 2020 (FY20). It builds on previous reports by the Controller's Office, which examined the demographics of the exempt workforce at the end of FY18 and FY19.¹ The data for this year's review was compiled from the City's OnePhilly payroll system, and departments were asked to verify its accuracy before finalizing. Similar to previous reports, exempt employees are shown in relation to the department from which they are paid.²

To evaluate the City's progress toward its diversity goals and the diversity of its leadership, the data is broken out into four important categories: all exempt employees, new exempt hires in FY20,³ exempt employees with salaries of at least \$90,000 (referred to as "executive" positions) and the subset of new hires with salaries of at least \$90,000. The diversity of the City's exempt workforce is examined separately for City departments that fall under the Mayor's authority and for independent offices.

Key Findings

- In FY20, diverse employees accounted for 45.8% of the exempt workforce and remain underrepresented relative to the city's overall population, which is 65.7% diverse.
- For departments under the Mayor's authority:
 - The exempt workforce was 53.6% diverse in FY20, about a one percentage point increase from last fiscal year.
 - The increase in overall diversity was driven by an increase in Asian representation, with Asian employees accounting for 14.2% of new exempt hires in FY20, compared to 9.2% in FY19 and 9.4% in FY18.
 - Since FY18, Asian representation has had the largest improvement, increasing from 5.2% in FY18 to 7.1% in FY20. On the other hand, African American representation has declined while Hispanic representation has remained nearly unchanged since FY18.

¹ See the [FY18 Exempt Diversity Review](#) and [FY19 Exempt Employee Diversity Review](#).

² Note that the department that hires an employee is not necessarily responsible for paying that employee. As hiring information has been unavailable in past years, employees are associated with the department that pays them to allow for year-over-year comparisons and ensure accurate data quality.

³ Data for new exempt hires includes employees new to the City of Philadelphia as well as employees who have moved between City departments.

- Exempt workers in executive positions (earning at least \$90,000) are less diverse than the overall workforce. Diverse representation in these positions decreased slightly from 44.6% in FY19 to 43.8% in FY20.
- White employees accounted for 60% (24 of 40) of new executive hires in FY20, compared to 40% in FY19 and 56% in FY18.
- Notably, there were no new Hispanic hires for executive positions in FY20.
- Diverse employees were also underrepresented in the independent offices with the two largest exempt workforces, the First Judicial District and the District Attorney's Office.
 - In the First Judicial District, the exempt workforce was 40.9% diverse in FY20, a similar level as in previous years (41.0% in FY19 and 40.3% in FY18).
 - In the District Attorney's Office, 35.7% of the exempt workforce was diverse in FY20, an underrepresentation compared to the city's overall population, but a substantial improvement from FY19 (31.2%) and FY18 (28.6%).

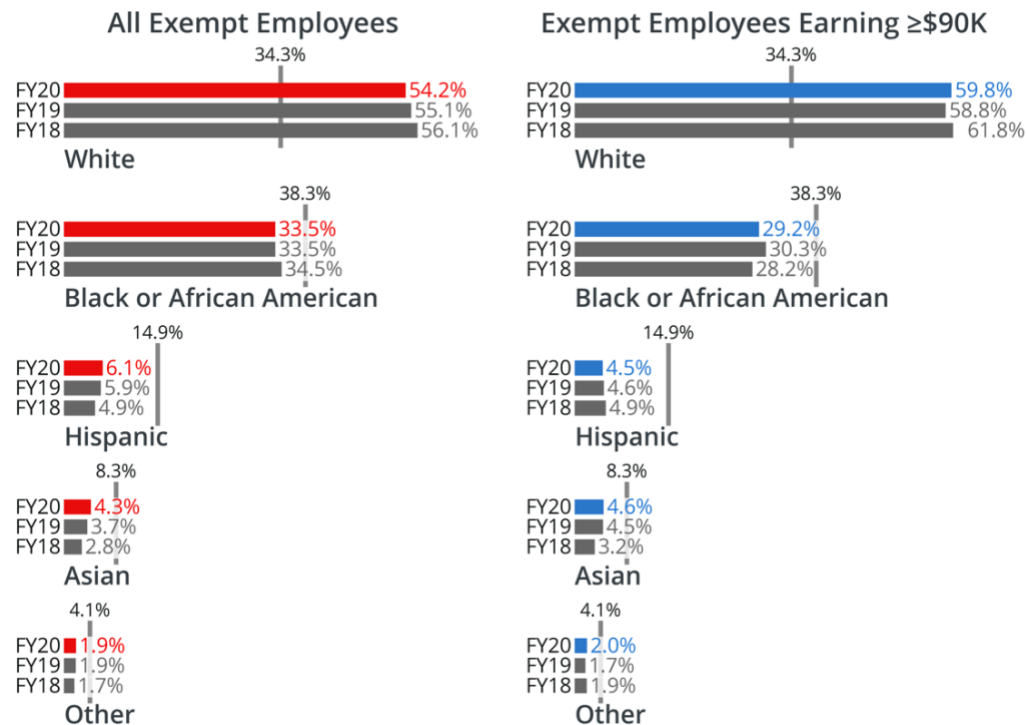
Diversity of the Exempt Workforce

In FY20, the City's exempt workforce, totaling 4,832 employees, was 45.8% diverse, an increase of less than one percentage point over the previous fiscal year. As seen in the figure below, White employees were overrepresented and accounted for 54.2% of the total workforce, well above the 34.3% share of Philadelphia's population according to 2020 Census data.⁴ Diverse representation decreases when focusing only on exempt positions with salaries of at least \$90,000. For these executive positions, White employees accounted for 59.8% of the total, an increase of one percentage point from FY19 to FY20.

⁴ Source: [2020 Decennial Census Redistricting data](#)

Demographics of the Exempt Workforce in All Departments

Demographics of Philadelphia residents shown as vertical line



The Mayoral Administration

In 2017, Mayor Kenney’s administration created the Exempt Employee Hiring Guidelines⁵ in an effort to increase diverse representation in the City’s exempt workforce. While the guidelines are not mandatory, Mayoral departments are expected to follow the recommendations for all exempt hires when possible. This section focuses only on the diversity of the workforce in these Mayoral departments, which included 1,687 exempt employees in FY20, and excludes exempt employees in independent offices.

Similar to the citywide exempt workforce, White employees in Mayoral departments were overrepresented in FY20, accounting for 46.4% of the workforce. This represents a modest improvement from prior years, 47.2% in FY19 and 48.2% in FY18. Representation among diverse employees remained lowest for Hispanic and Asian groups, with Hispanic individuals making up 14.9% of the city’s population but only 7.4% of the Mayoral exempt workforce, and Asian individuals making up 8.3% of the city’s population but only 7.1% of the workforce.

The figure on the following page summarizes the changes in diversity for departments in the Mayoral administration. Since FY18, Asian representation has had the largest improvement, increasing from 5.2% in FY18 to 7.1% in FY20. On the other hand, African American representation has declined while Hispanic representation has remained nearly unchanged since

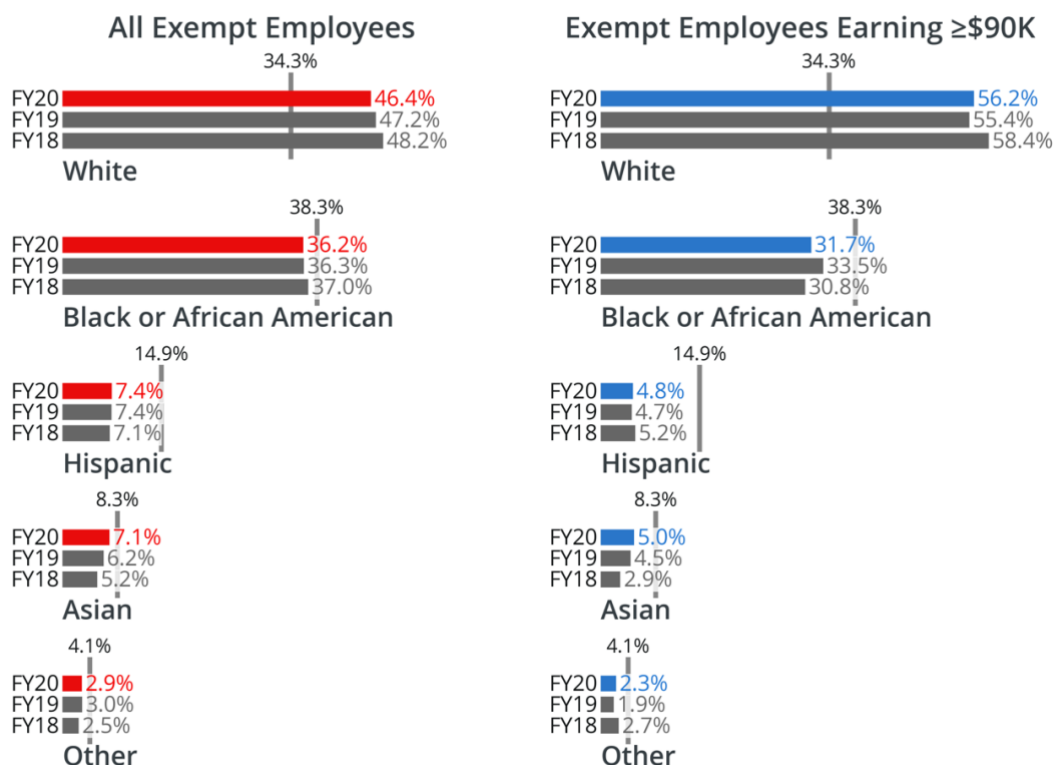
⁵ See the [“Exempt Hiring Guide for Building a Talented, Diverse Workforce.”](#)

FY18. Hispanic employees continue to be the most underrepresented group in the exempt workforce, both for Mayoral departments and independent offices.

The right panel of the figure highlights that the exempt workforce in Mayoral departments becomes substantially less diverse when considering exempt employees earning at least \$90,000 — White employees made up 56.2% of these positions in FY20. The diversity of this group fell slightly from last year, decreasing from 44.6% to 43.8% diverse in FY20; however, this representation is an improvement compared to 41.6% in FY18. As with the overall workforce, Hispanic representation is lowest among employees earning at least \$90,000, accounting for only 4.8% of exempt employees in this group.

Demographics of the Exempt Workforce in Mayoral Departments

Demographics of Philadelphia residents shown as vertical line

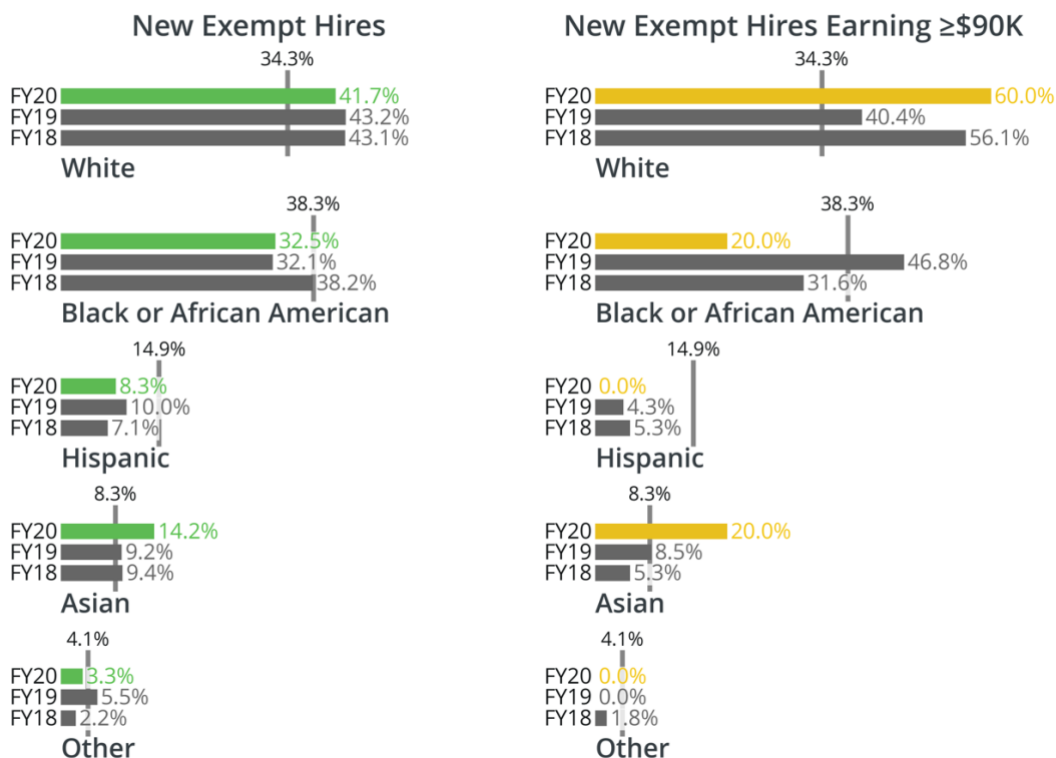


When focusing on new exempt hires in FY20, White employees were also overrepresented, accounting for 41.7% of hires. The percent of diverse new hires increased from 56.8% in FY19 to 58.3% in FY20, a small year-over-year increase in diversity. This improvement was driven by Asian representation among new hires, which increased from 9.2% in FY19 to 14.2% in FY20. African American representation stayed at about the same level in FY20 as FY19 at 32.5%, though this reflects a decline from 38.2% in FY18. Hispanic representation in new hires also declined, from 10.0% in FY19 to 8.3% in FY20.

New exempt hires for executive positions were significantly less diverse in FY20 compared to FY19, with White employees accounting for 60.0% of new executive hires. The only notable improvement in diversity among new executive hires was a substantial increase in Asian representation, having more than doubled from 8.5% in FY19 to 20.0% in FY20. Representation across other diverse groups for these positions took a disappointing turn in FY20, with no new Hispanic executive hires, and with African American representation falling from 46.8% in FY19 to only 20.0% in FY20.

Demographics of the Exempt Workforce in Mayoral Departments

Demographics of Philadelphia residents shown as vertical line



To better examine diversity trends for new hires, the City Controller's Office requested additional information from departments with particularly low diverse representation among new hires in FY20.⁶ Given that diversity statistics can vary from year to year, we selected five departments to evaluate the effectiveness of the City's hiring process. These departments (the FJD, DAO, MDO, the Law Department and Public Health) hired at least 20 new employees with the exception of Public Health, which hired only seven employees, six of whom were White. For each new hire in these departments, the Controller's Office asked a series of questions about the hiring process and adherence to the Exempt Employee Hiring Guidelines. Except for the FJD, each of these

⁶ Follow-up questions were directed to the department responsible for the hiring process for new hires in FY20. This department is not necessarily the same as the department that is responsible for paying the employee. By using hiring department information, the Controller's Office is able to more closely examine the City's hiring process for exempt employees.

departments responded that they followed the Hiring Guidelines for new exempt hires in FY20. The FJD, which is an independent office and is not subject to the recommended policies in the guidelines, instead outlined their diversity initiatives, which include a recently hired Diversity, Equity, and Inclusion Chief and the creation of a unit to focus specifically on maintaining fair and diverse hiring practices.

Collectively, these five departments hired 332 exempt employees in FY20, comprising 60% of all new exempt hires. White employees accounted for 55.1% of the total and were substantially overrepresented relative to the city population, which is only 34.3% White. Despite this lack of diversity in new hires, the departments stated that they followed the recommended hiring policies from the Exempt Hiring Guidelines. This warrants a more detailed examination of the hiring process for exempt employees. This examination should seek to identify the root causes leading to the continued lack of diversity among new exempt hires and result in the implementation of necessary changes to ensure the City can attract and hire diverse candidates for its exempt workforce.

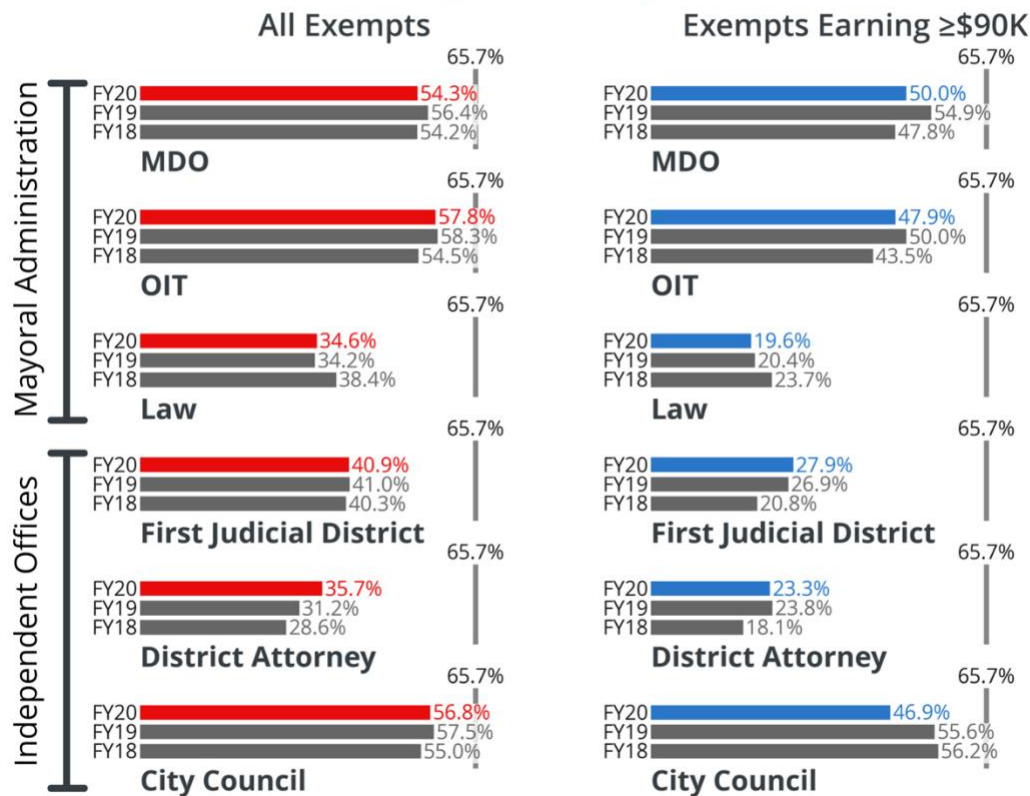
Departments with the Largest Exempt Workforces

About 80% of the City's exempt employees were concentrated in just six City departments in FY20. Three of these departments fall under the Mayor's authority: MDO, OIT, and the Law Department. The remaining three are independent offices: the FJD, DAO, and City Council. As seen in the figure below, diverse individuals were underrepresented in each of these department workforces in FY20.

Diverse representation in the DAO has improved each year since FY18, increasing from 28.6% in FY18 to 35.7% in FY20. Following the implementation of a number of steps intended to improve diversity, diverse representation among new hires in the DAO has improved substantially, increasing from just 34.0% in FY18 to 49.1% in FY20. Diverse representation in the FJD (40.9%) remained essentially unchanged year over year, having decreased by only one-tenth of a percentage point. Of the six largest departments considered here, the Law Department is the least diverse, with diverse employees accounting for only 34.6% of the department's workforce. The overall increase in Asian representation in the City's workforce was driven primarily by new hires in OIT, with 15 of 59 (25.4%) new hires identifying as Asian. OIT has the largest share of diverse employees among the six largest exempt workforces at 57.8%. City Council has the second highest share of diverse employees at 56.8% in FY20, a slight decrease from 57.5% in FY19.

Of the six largest exempt workforces, only the FJD saw an increase in the share of diverse employees making at least \$90,000. The increase was quite small, increasing by only one percentage point from FY19 to FY20. City Council had the largest decrease in representation among workers making at least \$90,000 at -8.7 percentage points, followed by the MDO (-4.9 percentage points), OIT (-2.1 percentage points), Law (-0.7 percentage points), and the District Attorney's Office (-0.5 percentage points).

Diverse Representation in City Departments with the Largest Exempt Workforces



Note: MDO is the Managing Director's Office and OIT is the Office of Innovation and Technology

Other Notable Changes

A few other smaller departments had notable changes in diverse representation among their employees. The Office of the Chief Administrative Officer dramatically improved its diverse representation from 56.5% in FY19 to 67.3% in FY20, meeting the Census threshold for diverse representation. The Department of Homeless Services already had diverse representation meeting the Census threshold in FY19 but increased its share of diverse employees from 66.7% to 75.8%. On the other hand, Planning and Development, which has 25 exempt employees, slightly improved its diverse representation compared to FY19 but remained one of the least diverse departments in FY20 with only 36.0% diversity. Additionally, the exempt workforce became less diverse in the Department of Public Health (-8.6 percentage points), the Water Department (-6.7 percentage points), the Department of Public Property (-4.4 percentage points), and the Fire department (-3.8 percentage points).

FY20 Diversity Data for All City Departments

In the following visualizations, the diversity data for each City department or independent office is presented in two separate heatmaps, one for all departments that fall under the Mayor's authority (left) and one for independent offices (right). Rows of the heatmap show results for a specific department while columns represent different races and ethnicities. The data is visualized relative to Philadelphia's overall population statistics according to 2020 Census data. The color gray indicates that a particular race or ethnicity is represented at the same level as the city's Census, while the colors red and blue indicate overrepresentation and underrepresentation, respectively.

Data is broken out into four categories: all exempt employees, exempt employees hired in FY20, exempt employees with salaries of at least \$90,000, and the subset of new hires with salaries of at least \$90,000.

Philadelphia's Workforce in FY20 All Exempt Employees

	Overrepresented vs. Census
	Parity with Census
	Underrepresented vs. Census

Mayoral Administration

	White	Black or African American	Hispanic	Asian	American Indian	Other	Total Number
Philadelphia Census	34%	38%	15%	8%	0%	4%	
All Departments	46%	36%	7%	7%	0%	3%	1,687
MDO	46%	37%	9%	5%	1%	3%	324
OIT	42%	36%	6%	13%	0%	3%	306
Law	65%	25%	2%	5%	0%	3%	153
DHS	51%	31%	10%	6%	1%	1%	105
Revenue	52%	19%	17%	9%	0%	3%	77
Office of the Mayor	32%	33%	14%	8%	0%	13%	63
CAO	33%	53%	6%	6%	0%	2%	49
Commerce	36%	51%	6%	6%	0%	0%	47
Finance	39%	45%	5%	11%	0%	0%	44
Children & Families	38%	42%	18%	0%	0%	2%	40
Parks & Recreation	53%	26%	5%	11%	0%	5%	38
Homeless Services	24%	58%	0%	9%	0%	9%	33
DBHIDS	41%	38%	16%	6%	0%	0%	32
Public Health	50%	41%	3%	6%	0%	0%	32
L&I	53%	25%	9%	9%	0%	3%	32
Aviation	50%	29%	7%	7%	0%	7%	28
CEO	11%	67%	15%	7%	0%	0%	27
Labor Relations	52%	26%	11%	7%	0%	4%	27
Planning & Development	64%	24%	0%	8%	0%	4%	25
Streets	46%	42%	8%	4%	0%	0%	24
Prisons	16%	79%	5%	0%	0%	0%	19
Inspector General	62%	31%	0%	6%	0%	0%	16
Water	53%	47%	0%	0%	0%	0%	15
Property Assessment	54%	38%	0%	8%	0%	0%	13
Fire	54%	46%	0%	0%	0%	0%	13
Public Property	62%	15%	15%	0%	0%	8%	13
Police	62%	38%	0%	0%	0%	0%	13
BRT	67%	33%	0%	0%	0%	0%	12
Sustainability	67%	22%	11%	0%	0%	0%	9
Mural Arts	33%	56%	11%	0%	0%	0%	9
Treasurer	50%	50%	0%	0%	0%	0%	8
Human Resources	17%	83%	0%	0%	0%	0%	6
Fleet	67%	17%	0%	17%	0%	0%	6
Procurement	20%	60%	20%	0%	0%	0%	5
City Rep	60%	20%	0%	20%	0%	0%	5
Board of Ethics	80%	20%	0%	0%	0%	0%	5
Free Library	80%	20%	0%	0%	0%	0%	5
Records	50%	50%	0%	0%	0%	0%	4
Human Relations	100%	0%	0%	0%	0%	0%	3
Arts & Culture	50%	50%	0%	0%	0%	0%	2

Independents

	White	Black or African American	Hispanic	Asian	American Indian	Other	Total Number
Philadelphia Census	34%	38%	15%	8%	0%	4%	
First Judicial District	59%	33%	5%	2%	0%	1%	2,318
District Attorney	64%	21%	6%	7%	0%	2%	527
City Council	43%	41%	8%	4%	0%	5%	169
Register of Wills	50%	41%	9%	0%	0%	0%	64
Sheriff	7%	79%	7%	0%	0%	7%	29
City Controller	46%	46%	4%	4%	0%	0%	24
City Commissioners	57%	21%	14%	7%	0%	0%	14

Philadelphia's Workforce in FY20 Exempt Employees with Salaries ≥\$90K

	Overrepresented vs. Census
	Parity with Census
	Underrepresented vs. Census

Mayoral Administration

	White	Black or African American	Hispanic	Asian	American Indian	Other	Total Number
Philadelphia Census	34%	38%	15%	8%	0%	4%	
All Departments	56%	32%	5%	5%	0%	2%	559
OIT	52%	32%	3%	10%	0%	2%	96
Law	80%	12%	2%	5%	0%	0%	56
MDO	50%	35%	9%	4%	0%	2%	54
DHS	44%	37%	15%	2%	0%	2%	41
Office of the Mayor	40%	36%	0%	4%	0%	20%	25
Revenue	74%	13%	13%	0%	0%	0%	23
Aviation	55%	27%	5%	5%	0%	9%	22
Finance	36%	50%	0%	14%	0%	0%	22
L&I	60%	20%	13%	7%	0%	0%	15
Planning & Development	79%	14%	0%	7%	0%	0%	14
Parks & Recreation	64%	14%	7%	14%	0%	0%	14
CAO	54%	38%	0%	8%	0%	0%	13
Streets	54%	38%	8%	0%	0%	0%	13
Public Health	67%	25%	0%	8%	0%	0%	12
Commerce	55%	45%	0%	0%	0%	0%	11
Police	70%	30%	0%	0%	0%	0%	10
Homeless Services	33%	56%	0%	0%	0%	11%	9
Public Property	78%	11%	11%	0%	0%	0%	9
Water	78%	22%	0%	0%	0%	0%	9
Prisons	12%	88%	0%	0%	0%	0%	8
Labor Relations	88%	12%	0%	0%	0%	0%	8
Fire	38%	62%	0%	0%	0%	0%	8
Children & Families	25%	38%	25%	0%	0%	12%	8
Property Assessment	57%	43%	0%	0%	0%	0%	7
DBHIDS	29%	71%	0%	0%	0%	0%	7
Fleet	67%	17%	0%	17%	0%	0%	6
Procurement	20%	60%	20%	0%	0%	0%	5
Free Library	80%	20%	0%	0%	0%	0%	5
Treasurer	75%	25%	0%	0%	0%	0%	4
Board of Ethics	100%	0%	0%	0%	0%	0%	3
CEO	0%	100%	0%	0%	0%	0%	3
Inspector General	100%	0%	0%	0%	0%	0%	3
Human Resources	0%	100%	0%	0%	0%	0%	3
City Rep	67%	33%	0%	0%	0%	0%	3
Records	50%	50%	0%	0%	0%	0%	2
Human Relations	100%	0%	0%	0%	0%	0%	2
Sustainability	100%	0%	0%	0%	0%	0%	2
Arts & Culture	50%	50%	0%	0%	0%	0%	2
BRT	0%	100%	0%	0%	0%	0%	1
Mural Arts	100%	0%	0%	0%	0%	0%	1

Independents

Philadelphia Census	34%	38%	15%	8%	0%	4%	
District Attorney	77%	13%	4%	6%	0%	0%	90
First Judicial District	72%	23%	2%	2%	0%	2%	61
City Council	53%	38%	3%	3%	0%	3%	32
City Controller	57%	29%	14%	0%	0%	0%	7
Register of Wills	57%	43%	0%	0%	0%	0%	7
City Commissioners	80%	20%	0%	0%	0%	0%	5
Sheriff	0%	100%	0%	0%	0%	0%	2

Philadelphia's Workforce in FY20 New Exempt Hires

	Overrepresented vs. Census
	Parity with Census
	Underrepresented vs. Census

Mayoral Administration

	White	Black or African American	Hispanic	Asian	American Indian	Other	Total Number
Philadelphia Census	34%	38%	15%	8%	0%	4%	
All Departments	42%	32%	8%	14%	0%	3%	240
OIT	37%	29%	3%	25%	0%	5%	59
MDO	48%	34%	5%	9%	2%	2%	58
Law	60%	40%	0%	0%	0%	0%	15
Children & Families	46%	23%	31%	0%	0%	0%	13
Office of the Mayor	20%	30%	40%	10%	0%	0%	10
CAO	22%	56%	0%	22%	0%	0%	9
Revenue	43%	43%	14%	0%	0%	0%	7
CEO	14%	57%	14%	14%	0%	0%	7
Labor Relations	33%	0%	33%	33%	0%	0%	6
Parks & Recreation	50%	17%	0%	33%	0%	0%	6
Public Health	83%	17%	0%	0%	0%	0%	6
Homeless Services	0%	33%	0%	50%	0%	17%	6
DBHIDS	17%	33%	33%	17%	0%	0%	6
DHS	80%	20%	0%	0%	0%	0%	5
Commerce	60%	20%	20%	0%	0%	0%	5
Police	25%	75%	0%	0%	0%	0%	4
Finance	67%	0%	0%	33%	0%	0%	3
Streets	0%	100%	0%	0%	0%	0%	2
Property Assessment	0%	50%	0%	50%	0%	0%	2
Sustainability	100%	0%	0%	0%	0%	0%	2
Prisons	0%	100%	0%	0%	0%	0%	1
Aviation	100%	0%	0%	0%	0%	0%	1
Planning & Development	0%	0%	0%	0%	0%	100%	1
Board of Ethics	0%	100%	0%	0%	0%	0%	1
L&I	0%	0%	0%	0%	0%	100%	1
Human Resources	0%	100%	0%	0%	0%	0%	1
Human Relations	100%	0%	0%	0%	0%	0%	1
Fire	100%	0%	0%	0%	0%	0%	1
Water	100%	0%	0%	0%	0%	0%	1

Independents

Philadelphia Census	34%	38%	15%	8%	0%	4%	
First Judicial District	59%	24%	8%	7%	0%	2%	135
District Attorney	51%	27%	7%	10%	0%	5%	114
City Council	45%	45%	3%	0%	0%	8%	38
Sheriff	0%	87%	7%	0%	0%	7%	15
Register of Wills	0%	100%	0%	0%	0%	0%	9
City Commissioners	33%	33%	33%	0%	0%	0%	3
City Controller	67%	33%	0%	0%	0%	0%	3

Philadelphia's Workforce in FY20 New Exempt Hires with Salaries ≥\$90K

	Overrepresented vs. Census
	Parity with Census
	Underrepresented vs. Census

Mayoral Administration

	White	Black or African American	Hispanic	Asian	American Indian	Other	Total Number
Philadelphia Census	34%	38%	15%	8%	0%	4%	
All Departments	60%	20%	0%	20%	0%	0%	40
OIT	44%	22%	0%	33%	0%	0%	9
MDO	71%	0%	0%	29%	0%	0%	7
Law	75%	25%	0%	0%	0%	0%	4
CAO	33%	33%	0%	33%	0%	0%	3
DHS	50%	50%	0%	0%	0%	0%	2
Parks & Recreation	50%	0%	0%	50%	0%	0%	2
Police	50%	50%	0%	0%	0%	0%	2
Public Health	100%	0%	0%	0%	0%	0%	2
Revenue	100%	0%	0%	0%	0%	0%	2
Aviation	100%	0%	0%	0%	0%	0%	1
CEO	0%	100%	0%	0%	0%	0%	1
Children & Families	100%	0%	0%	0%	0%	0%	1
Finance	0%	0%	0%	100%	0%	0%	1
Office of the Mayor	100%	0%	0%	0%	0%	0%	1
Prisons	0%	100%	0%	0%	0%	0%	1
Water	100%	0%	0%	0%	0%	0%	1

Independents

Philadelphia Census	34%	38%	15%	8%	0%	4%	
City Council	67%	33%	0%	0%	0%	0%	6
District Attorney	33%	67%	0%	0%	0%	0%	3
Register of Wills	0%	100%	0%	0%	0%	0%	3
First Judicial District	50%	0%	0%	0%	0%	50%	2
Sheriff	0%	100%	0%	0%	0%	0%	2
City Commissioners	0%	100%	0%	0%	0%	0%	1