

Special Report

Workforce Diversity

July 2024



We compared the City of Austin's workforce demographics to the Austin population. The City is working to build a more diverse workforce. The Human Resources Department (HRD) has resources to help the City recruit and hire qualified and diverse candidates. HRD also has college internship and veteran programs to connect people with City employment. The City has implemented all six recommendations from the 2021 City Recruiting and Hiring Efforts audit.

We researched recruitment and hiring best practices in four comparable cities. Cities focused on accountability, fair hiring processes, and talent pipelines.

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Cover: Photo of a group of multiethnic diverse hands raised. Retrieved from City of Austin Brand Portal, June 2024.

Objective

The objective of this special request was to answer the following questions provided by the City Council:

1. How do the City of Austin’s workforce demographics compare to the Austin population?
2. What actions does the City of Austin take to recruit and hire a qualified and diverse workforce?
3. What has the City of Austin done to implement recommendations from the 2021 City Recruiting and Hiring Efforts audit?
4. Please detail case studies of best practices other cities have implemented to recruit and hire a qualified and diverse workforce.

Background

The City of Austin values a diverse workforce. A diverse workforce can help promote innovation, complex thinking, and more effective decision-making.

The City takes a decentralized approach to hiring and recruitment. While the Human Resources Department’s (HRD) procedures and Municipal Civil Service (MCS) rules must be followed, each department director holds the responsibility for selecting new employees. This flexibility allows departments to tailor their recruitment and hiring strategies based on their specific needs and available resources. Despite this decentralization, HRD is tasked with providing resources and initiatives to help departments hire a qualified and diverse workforce across the City.

What We Learned

Summary

We compared the City of Austin’s workforce demographics to the Austin population. The City is working to build a more diverse workforce. The Human Resources Department (HRD) has resources to help the City recruit and hire qualified and diverse candidates. HRD also has college internship and veteran programs to connect people with City employment. The City has implemented all six recommendations from the 2021 City Recruiting and Hiring Efforts audit.

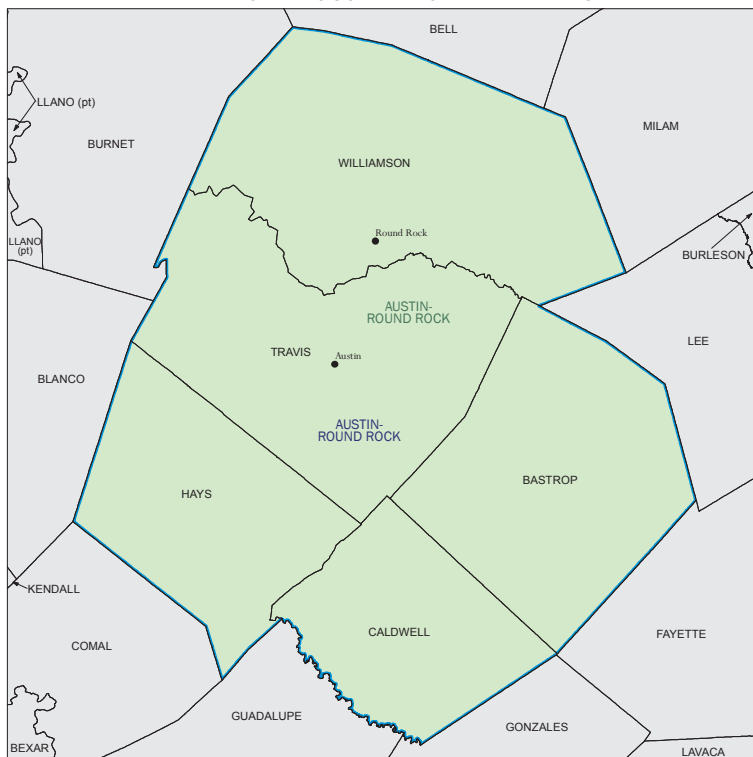
We researched recruitment and hiring best practices in four comparable cities. Cities focused on accountability, fair hiring processes, and talent pipelines.

Question 1

How do the City of Austin’s workforce demographics compare to the Austin population?

We examined race¹, ethnicity, gender, and staffing levels among permanent City of Austin employees². This includes both regular and civil service³ positions. We used the Austin-Round Rock Metropolitan Statistical Area (MSA) to represent the Austin population⁴. The Austin-Round Rock MSA contains five counties: Bastrop, Caldwell, Hays, Travis, and Williamson. 89% of the City’s workforce live within the Austin-Round Rock MSA.

Exhibit 1: Austin-Round Rock MSA



Source: US Department of Commerce, Economics, and Statistics Administration, US Census Bureau.

¹ City data systems combine racial and ethnic information into one data point, but Census data separates ethnic and racial identities.

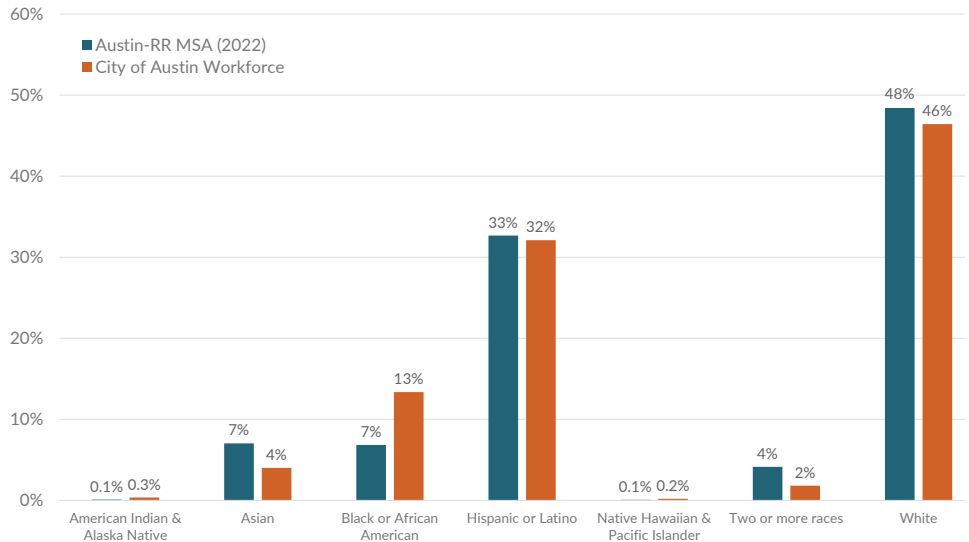
² Temporary employees were not included in our analysis.

³ Civil service positions are sworn employees in police, fire, and EMS departments.

⁴ At the time of our analysis, the 2022 American Community Survey (ACS) Estimates were the most recent available data for Austin-Round Rock MSA demographic information.

There were some differences between the racial and ethnic makeup of the City of Austin’s workforce and the Austin-Round Rock MSA population. Our analysis showed some races and ethnicities are represented at higher rates compared to the community while others are less represented.

Exhibit 2: Race and Ethnicity of the City of Austin’s Workforce Compared to the Austin-Round Rock MSA*

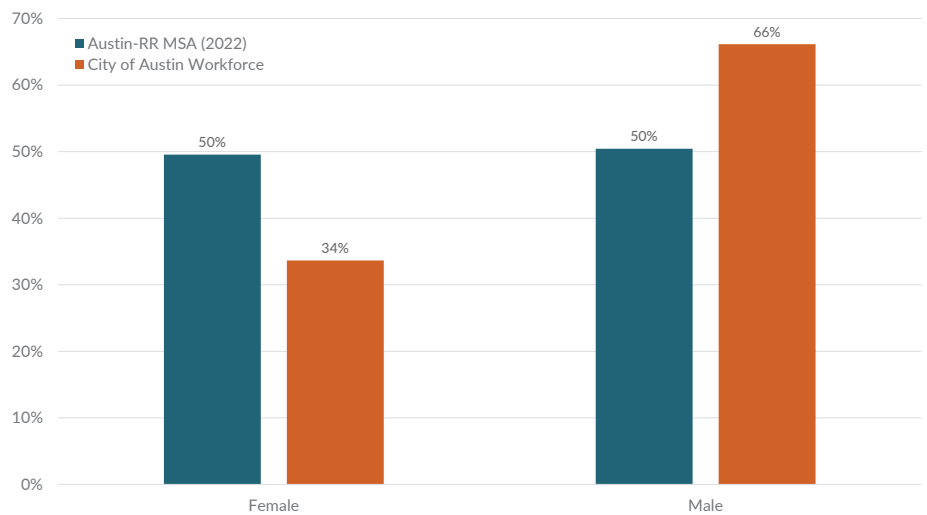


*The ACS captures the category titled “Some other race alone” while the City of Austin does not capture this statistic. Additionally, the City of Austin captures the category titled “Choose not to disclose.” We did not include these categories in our analysis. The percentages for these categories were 0.75% for “Some other race alone” and 1.8% for “Choose not to disclose.”

Source: Auditor analysis of City of Austin workforce and Austin-Round Rock MSA demographics, May 2024.

While women make up 50% of the Austin-Round Rock MSA, they only make up 34% of the City of Austin workforce, a difference of over 15 percentage points.

Exhibit 3: Gender of the City of Austin’s Workforce Compared to the Austin-Round Rock MSA*

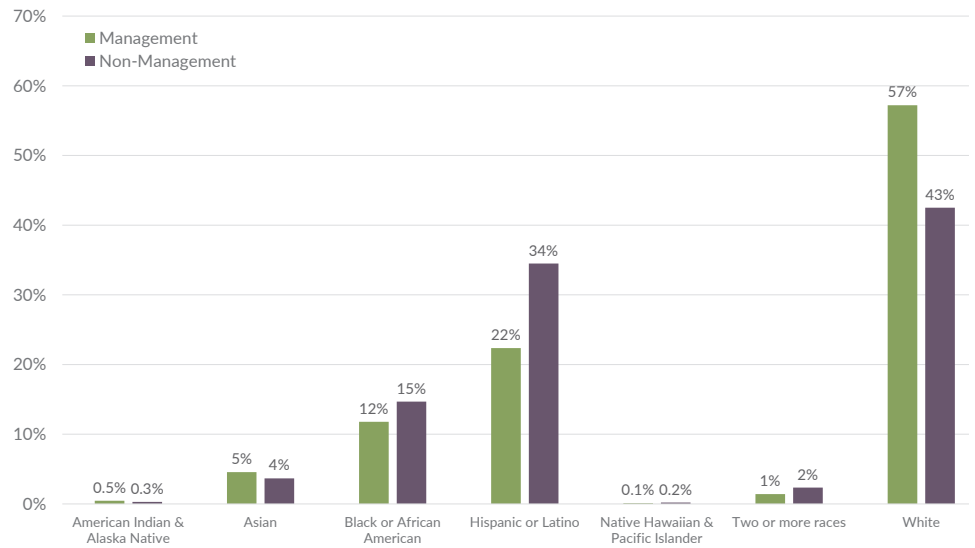


* The ACS reports gender/sex demographics using a male/female breakdown. The City of Austin is similar but also includes a “Not Available” category. We did not include this category in our analysis. The percentage for “Not Available” was 0.21%.

Source: Auditor analysis of City of Austin workforce and Austin-Round Rock MSA demographics, May 2024.

We also analyzed the race, ethnicity, and gender of the City of Austin’s management⁵ and non-management employees. A higher percentage of management positions are held by white individuals and men.

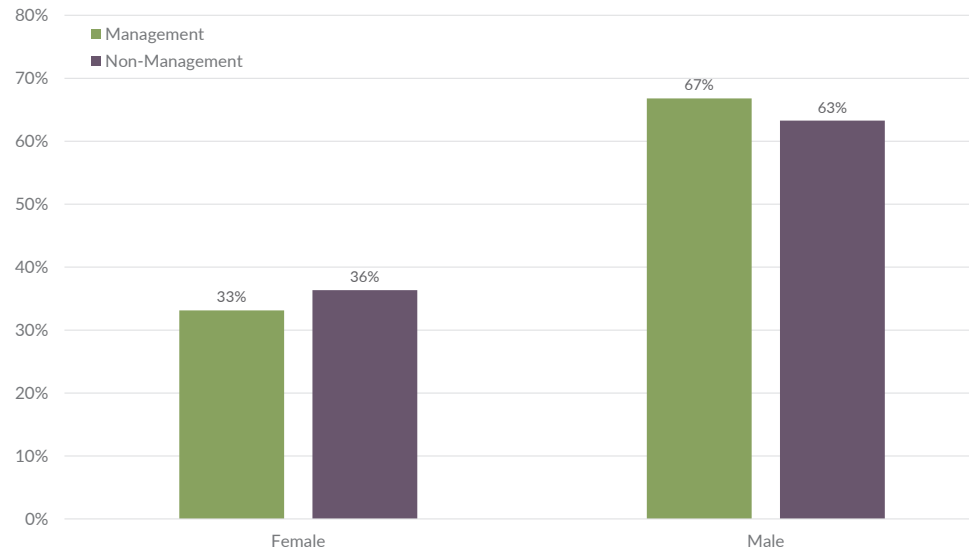
Exhibit 4: Race and Ethnicity of the City of Austin Management and Non-Management Positions*



*The City of Austin captures the category titled “Choose not to disclose.” We did not include this category in our analysis. The percentage for “Choose not to disclose” was 2.11% for management employees and 1.8% for non-management employees.

Source: Auditor analysis of City of Austin workforce demographics, May 2024.

Exhibit 5: Gender of the City of Austin Management and Non-Management Positions*



* The City of Austin reports gender/sex demographics using a male/female breakdown. The City also includes a “Not Available” category. We did not include this category in our analysis. The percentage for “Not Available” was 0.07% for management employees and 0.38% for non-management employees.

Source: Auditor analysis of City of Austin workforce demographics, May 2024.

⁵ Management employees are those who are in Executive, Manager, or Supervisor roles.

Question 2

What actions does the City of Austin take to recruit and hire a qualified and diverse workforce?

The City has a decentralized approach to recruiting. Departments use different strategies based on their needs and available resources. Some departments have a dedicated diversity recruiter. Others build talent pipelines through apprenticeships or partnerships with local schools. Despite this decentralization, the Human Resources Department (HRD) is tasked with providing resources and initiatives to hire a qualified and diverse workforce across the City.

HRD Diversity & Veteran Initiatives Division

The Diversity & Veteran Initiatives (DVI) Division within HRD spearheads diversity efforts in recruitment. DVI has a manager and two consultant positions. One consultant focuses on early career recruiting and the other on veterans' initiatives. DVI partners with local colleges and universities to create pathways for students and recent graduates to enter City jobs. This is done through the City's College Internship Program. DVI also offers a Veteran Program to help veterans and their spouses transition to civilian careers within the City. The program connects veterans with internship and employment opportunities across many City departments. Both consultant positions were vacant during our review. HRD staff said they have now hired one position and are in the process of filling the other.

Targeted Job Fairs & Advertising

HRD organizes and attends job fairs throughout the year. They also host an annual career expo. These events can target specific populations like veterans, older adults, and applicants with criminal histories. For Fiscal Year 2023, HRD organized four City-sponsored events: two Community Job Fairs, a Fair Chance Hiring Job Fair, and a Career Expo. Multiple City departments participated in these fairs and over 2,600 job seekers attended these events.

HRD advertises employment opportunities through various media outlets. This includes community publications catering to diverse populations, social media platforms, and local radio stations. In 2023, HRD worked with the Public Information Office to launch a large-scale "Get Hired" campaign. This campaign used multiple platforms to maximize awareness and attract a wider range of applicants. Additionally, when open positions are posted using the City's Applicant Tracking System, they are automatically published to multiple diversity jobs boards, private-sector job boards, and the Facebook advertising platform.

Supporting Departments in Hiring

Some aspects of the City's recruitment process are decentralized. However, HRD offers support and resources to aid departments in building a diverse workforce. HRD's efforts include outreach, advertising, and guidance to promote a fair and inclusive hiring environment.

HRD advises departments to follow a standardized hiring process developed by HRD. Resources, including checklists and best practices, are available to departmental HR staff. One practice HRD recommends is to use a diverse interview panel when filling open positions. Additionally, HRD will assist departments with crafting compelling job postings upon request.

Question 3

What has the City of Austin done to implement recommendations from the 2021 City Recruiting and Hiring Efforts audit?

We verified the City has implemented all six recommendations.

Exhibit 6: Implementation Status of Issued Recommendations*

City Recruiting and Hiring Efforts, August 2021	
Recommendation 1: Work with City Management to create Citywide plans for recruiting a more diverse workforce	Implemented
Recommendation 2: Work to proactively identify departments whose racial and ethnic demographics are the least representative of the community	Implemented
Recommendation 3: Help departments improve recruiting efforts to resolve gender disparities at the Citywide and department level	Implemented
Recommendation 4: Evaluate current recruiting and hiring data and department equity assessments to develop strategies to aid the City in hiring efforts	Implemented
Recommendation 5: Periodically review departmental hirings to ensure departments follow policies and provide feedback on how to improve processes	Implemented
Recommendation 6: Ensure all applicants in the hiring system are assigned the appropriate final status when the hiring process is completed	Implemented

*This is a summarized version of issued recommendations. See Appendix B for official language of findings and recommendations issued.

Source: OCA analysis of the City's actions to address the 2021 City Recruiting and Hiring Efforts audit recommendations, May 2024.

The City has taken several steps to address the recommendations from the 2021 City Recruiting and Hiring Efforts audit. The Human Resources Department (HRD) developed recruiting templates and checklists for departments to follow when filling open positions. These tools help departments with recruiting, branding, and marketing open positions. HRD also provides departments with a list of diversity-focused recruitment events. This includes events hosted by the City and partner organizations. New positions focused on equity and inclusion were created within select departments. These positions help identify and address disparities in recruitment. The City's Affinity Groups also offer support to job seekers. These groups help with resumes and interview preparation. They also offer networking opportunities. Additionally, the City created a dashboard to track employee demographics. The dashboard is available in two versions: one for internal use by HR managers and a public version accessible to everyone.

HRD also provides a Hiring Process Checklist to help departments track and document hiring activities. This checklist ensures HRD involvement throughout the process by prompting reviews at key stages. HRD can then offer guidance and ensure compliance with City policies throughout the process. Additionally, HRD monitors the hiring system and alerts departments if a position file is incomplete or lacks a final status.

Question 4

Please detail case studies of best practices other cities have implemented to recruit and hire a qualified and diverse workforce.

We surveyed four comparable cities for best practices used to recruit and hire a qualified and diverse workforce. We surveyed Chicago, Illinois; Philadelphia, Pennsylvania; San Francisco, California; and Seattle, Washington.

Prioritize Diversity Metrics & Hold Leaders Accountable

Prioritizing diversity metrics allows organizations to monitor progress on diversity, equity, and inclusion (DEI) goals and identify areas for improvement. Leader accountability ensures these metrics inform hiring decisions to help build a diverse workforce.

The City of Chicago uses Racial Equity Action Plans to hold City departments accountable for achieving diversity goals. Departments create an action plan outlining specific DEI goals and relevant strategies. Progress towards these goals is tracked on a public dashboard and addressed in Chicago's annual equity report. This allows everyone to see how departments are progressing. Some departments that set specific goals for hiring a diverse workforce in their action plans have seen success. For example, the Chicago Fire Department increased the number of diverse applicants and female firefighters through a targeted recruitment campaign. The City of Chicago staff said these action plans create a system where clear goals, transparency, and targeted strategies are used to hold City departments accountable for achieving racial equity in their workforces.

Similarly, the City of Philadelphia's Office of Diversity, Equity, and Inclusion (ODEI) uses departmental DEI plans to hold leaders accountable for achieving diversity goals. These plans act as a roadmap, translating broad goals into actionable strategies. Each plan outlines measurable objectives and key strategies focused on three key areas:

- **Improve Staffing:** Identify areas where diverse talent is needed. Develop targeted recruitment efforts to attract qualified candidates.
- **Employee Retention:** Create an inclusive work environment that empowers and values employees from all backgrounds.
- **Track Progress:** Establish metrics to measure departmental progress towards core DEI goals.

ODEI meets regularly with department leaders to communicate Philadelphia's DEI performance expectations. They also provide guidance and support on DEI plans. Philadelphia's public workforce diversity dashboard helps leaders track their progress on diversity goals. This dashboard updates on the first of each month. The dashboard prioritizes transparency and data-driven decision-making by highlighting key diversity metrics. The City of Philadelphia staff said that by holding leaders responsible for their department's DEI plan, the City ensures departments are working towards a more diverse and equitable workforce.

Create an Inclusive Hiring Process

An inclusive hiring process creates a level playing field. This means all qualified candidates have a fair shot at being recognized for their skills and talents. The City of Seattle's Department of Human Resources does this through their Talent, Experience, and Alignment (TEA) hiring model. The TEA model⁶ focuses on candidate potential and how well they fit the City's mission, vision, and values. It does not prioritize strict requirements like years of experience or degrees. This approach allows Seattle to evaluate candidates holistically and screen-in diverse candidates with transferable skills who might have been overlooked by traditional methods. Seattle also requires diverse hiring panels and completion of unconscious bias training. Seattle further combats bias by anonymizing applications and utilizing behavioral interview questions. Since adopting the TEA hiring model, Seattle has seen an increase in diversity of both candidate pools and hires.

The City of Philadelphia's Diversity Recruitment Guide provides departments with strategies to recruit and hire a diverse workforce. The guide emphasizes the importance of clear, concise, and unbiased job descriptions that are reflective of the role. This helps to prevent unintentionally deterring qualified candidates from applying. The guide also encourages the use of diverse interview panels (required for executive level positions). This helps broaden the range of perspectives during the selection process.

Build Pipelines for Diverse Talent

Finally, creating career pipelines into public service for people from diverse backgrounds is an important aspect of building a qualified and diverse workforce. The City and County of San Francisco offer several programs designed to build a skilled and diverse workforce, such as:

- **ApprenticeshipSF:** This program combines on-the-job training with classroom instruction in various skilled trades. It caters to individuals seeking an alternative to a traditional four-year college degree.
- **San Francisco Fellows Program:** This program is for recent college graduates who may not have work experience yet. This program does not require a specific area of study. Applicants from diverse academic backgrounds are welcome to apply.
- **Access to City Employment (ACE) Program:** This program is designed to help qualified individuals with disabilities gain City employment. The ACE program is designed to open doors for a talent pool that might otherwise face challenges in traditional hiring procedures.

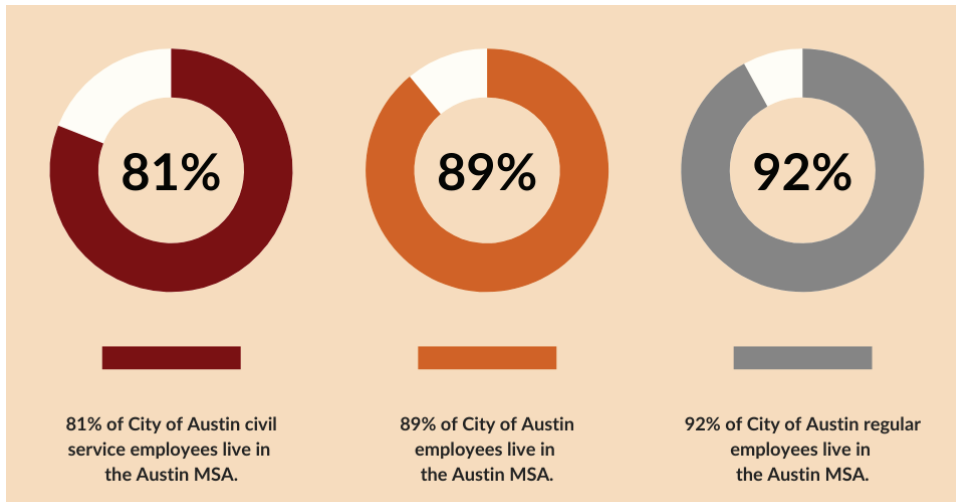
San Francisco's pipeline programs address various hiring and recruitment barriers. These programs help expand San Francisco's talent pool and foster a more diverse workforce.

⁶ Each category within TEA is weighted differently depending on the level of position being filled. For example, an entry level position would be weighted heavily on Talent and Alignment, whereas a supervisor position would be weighted heavier on Experience.

Appendix A: Comparison of Race, Ethnicity, and Gender of Civil Service Employees, Regular Employees, and Austin-Round Rock MSA

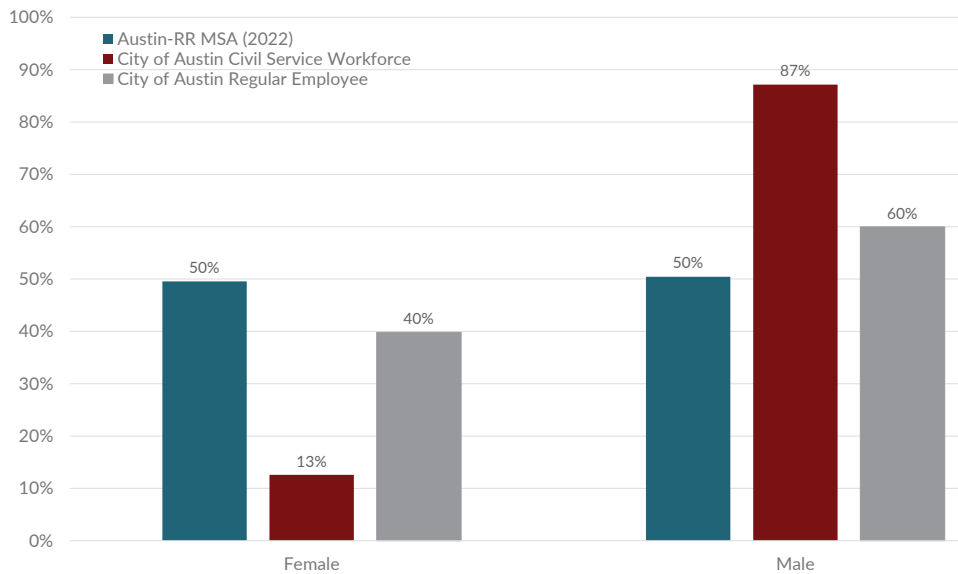
The report combined civil service and regular employee data. The following graphs analyze City of Austin demographics (civil service vs. regular) compared to the Austin-Round Rock MSA. We found 81% of civil service employees and 92% of regular employees live within the Austin-Round Rock MSA.

City of Austin Workforce Population Living in Austin-Round Rock MSA



Source: Auditor analysis of City of Austin workforce and Austin-Round Rock MSA demographics, May 2024.

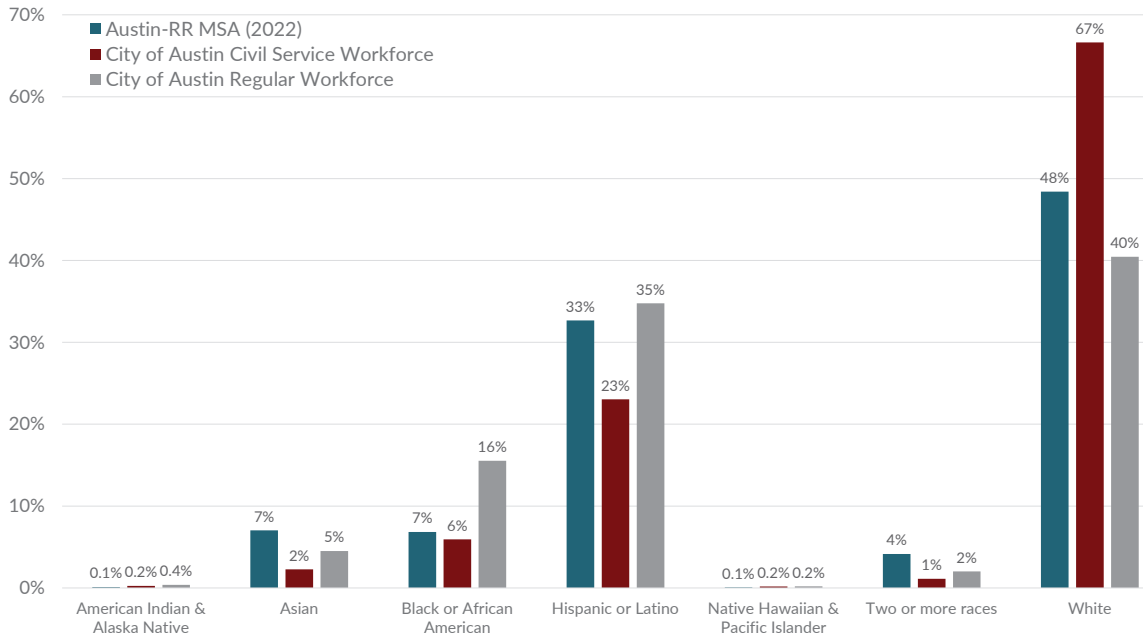
Gender of the City of Austin’s Civil Service Employees, Regular Employees, and the Austin-Round Rock MSA*



* The ACS reports gender/sex demographics using a male/female breakdown. The City of Austin is similar but also includes a “Not Available” category. We did not include this category in our analysis. The percentage for “Not Available” was 0.25% for civil service employees and 0.2% for regular employees.

Source: Auditor analysis of City of Austin workforce and Austin-Round Rock MSA demographics, May 2024.

Race and Ethnicity of the City of Austin’s Civil Service Employees, Regular Employees, and the Austin-Round Rock MSA*



*The ACS captures the category titled “Some other race alone” while the City of Austin does not capture this statistic. Additionally, the City of Austin captures the category titled “Choose not to disclose.” We did not include these categories in our analysis. The percentage for “Some other race alone” was 0.75%. The percentage of “Choose not to disclose” was 0.58% for civil service employees and 2.15% for regular employees.
 Source: Auditor analysis of City of Austin workforce and Austin-Round Rock MSA demographics, May 2024.

Appendix B: 2021 City Recruiting and Hiring Efforts Audit Findings and Recommendations Issued

City Recruiting and Hiring Efforts, August 2021	
Finding 1	The City’s workforce is representative of certain demographic categories but is less representative of others. The City of Austin needs to be more deliberate in its pursuit of a diverse workforce and can do more to proactively identify and remove gaps in the workforce at the Citywide and at the department level.
Finding 2	The Human Resources Department is not consistently reviewing and enforcing departmental compliance with recruiting and hiring guidance.

City Recruiting and Hiring Efforts, August 2021	
Recommendation 1: To address Finding 1, the Human Resources Department should work with City Management to create citywide plans for recruiting a more diverse workforce.	Implemented
Recommendation 2: To address Finding 1, the Human Resources Department should work to proactively identify departments whose racial and ethnic demographics are the least representative of the community. They should work to aid these departments in their recruiting efforts by identifying actionable steps to improve noted disparities.	Implemented
Recommendation 3: To address Finding 1, the Human Resources Department should use additional strategies to help departments improve recruiting efforts in order to resolve gender disparities at the citywide and department level. They should work to aid these departments in their recruiting efforts by identifying actionable steps to improve noted disparities.	Implemented
<p>Recommendation 4: To address Finding 1, the Human Resources Department should evaluate current recruiting and hiring data, along with departmental equity assessments, to develop strategies that could aid the city in its hiring efforts. These strategies could include:</p> <ul style="list-style-type: none"> a. revising hiring descriptions for positions in departments that have historically struggled to hire diverse candidates b. encouraging use of diverse hiring panels c. removing names and other identifying information during candidate screening d. increasing internship opportunities e. adding fellowship opportunities, and f. providing anti-bias training for employees. 	Implemented
Recommendation 5: To address Finding 2, the Human Resources Department should take steps to periodically review departmental hirings. These reviews should seek to ensure all City hirings not only follow Municipal Civil Service Rules and administrative policy, but also provide feedback to departments on how to improve their processes and incorporate best practice guidance.	Implemented
Recommendation 6: To address Finding 2, HRD should ensure that all applicants in the eCareer system are assigned the appropriate final status when the hiring process is completed.	Implemented

Why We Did This Report

This report responds to a request sponsored by Council Member Zohaib “Zo” Qadri and co-sponsored by Council Member José “Chito” Vela regarding workforce diversity.

Scope

This project included the Human Resources Department’s current practices for recruiting and hiring a qualified and diverse workforce.

Methodology

To complete this special request, we performed the following steps:

- Interviewed staff from the Human Resources Department
- Analyzed Banner demographic data for regular and civil service positions from fiscal year 2024
- Reviewed and compared United States Census Office’s 2022 American Community Survey (ACS) data with Banner data
- Reviewed HRD policies, procedures, application materials, and other documentation related to recruitment and hiring
- Researched best practices related to hiring and recruiting a diverse workforce
- Identified and selected peer cities
- Conducted interviews and analyzed information received from peer city staff

Project Type

This project is not considered an audit. However, this project was conducted in accordance with the ethics, independence, competency, and quality provisions of the Government Auditing Standards.

The Office of the City Auditor was created by the Austin City Charter as an independent office reporting to City Council to help establish accountability and improve City services. Special requests are designed to answer specific questions to assist Council in decision-making. We do not draw conclusions or make recommendations in these reports.

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