



City of Seattle
Workforce Pay Equity and Utilization Study
Full Council Briefing

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About DCI Consulting Group

- ▶ National consulting firm focused on EEO and affirmative action
- ▶ Industry leader in conducting EEO pay analyses
 - ▶ 90% of all work is proactive
- ▶ Clients include:
 - ▶ Private industry
 - ▶ Local governments
 - ▶ Educational institutions
 - ▶ U.S. Government

Two Separate Studies

- ▶ Compensation
- ▶ Diversity and Inclusion
 - ▶ Current workforce
 - ▶ Recent applicants
 - ▶ Recent hires
 - ▶ Recent promotions
 - ▶ Recent voluntary separations

Purpose of the Studies

- ▶ **Purpose of the Studies:** Conduct a statistical analysis of the City's employment data to determine whether a pattern or practice of discrimination exists within compensation, employment, hiring, promotions and turnover.
- ▶ These studies do not address broader societal or policy issues.

Conclusion

- ▶ **Conclusion:** Overall, our analysis does not suggest a pattern or practice of discriminatory compensation or employment practices by the City.
- ▶ This conclusion only pertains to City of Seattle employment practices.

How did we reach that conclusion?

- ▶ DCI employed rigorous analytical methods consistent with:
 - ▶ The law
 - ▶ Court cases
 - ▶ Professional standards
- ▶ Professionally accepted analytical methods included:
 - ▶ Similarly situated employee groupings
 - ▶ Multiple regression analysis
 - ▶ Availability calculations based upon Bureau of Labor Statistics EEO data
 - ▶ Requisite skills calculations



Compensation Analyses



Three Types of City Jobs

- ▶ **Single Step Jobs (8% of employees)**
 - ▶ Stage Tech (\$28.53)
 - ▶ Usher (\$11.27)
- ▶ **Step Progression Jobs (77% of employees)**
 - ▶ Pay plan
 - ▶ Pay grade
 - ▶ Step
- ▶ **Discretionary Pay Jobs (15% of employees)**
 - ▶ Position has a minimum and maximum salary but no steps
 - ▶ Strategic Advisors, Managers, Information Technology Professionals, Executives, and City Attorney, Assistants
 - ▶ Used regression analysis to control for experience and specialty/department

Level of Analysis

- ▶ Gender and Race/Ethnicity differences were analyzed:
 - ▶ City overall
 - ▶ By department
 - ▶ By similarly situated employee grouping (SSEG)

Example of Two Hypothetical Departments with Different Salary Ratios for Gender

Department A		Department B	
Engineer (male, \$100,000)		Engineer (male, \$100,000)	
Engineer (male, \$100,000)		Engineer (female, \$100,000)	
Engineer (male, \$100,000)		Customer Service Analyst (male, \$60,000)	
Engineer (male, \$100,000)		Customer Service Analyst (male, \$60,000)	
Engineer (male, \$100,000)		Customer Service Analyst (male, \$60,000)	
Engineer (female, \$100,000)		Customer Service Analyst (female, \$60,000)	
Customer Service Analyst (male, \$60,000)		Customer Service Analyst (female, \$60,000)	
Customer Service Analyst (female, \$60,000)		Customer Service Analyst (female, \$60,000)	
Customer Service Analyst (female, \$60,000)		Customer Service Analyst (female, \$60,000)	
Male Average Salary	\$93,333	Male Average Salary	\$70,000
Female Average Salary	\$73,333	Female Average Salary	\$68,000
Salary Ratio	78.6%	Salary Ratio	97.1%

Wage Gap Analysis

- ▶ Wage gap analyses compare the average salary of one protected group to another. A ratio is created without controlling for legitimate non-discriminatory variables.
 - ▶ Caution must be taken when interpreting City overall and department analyses.
- ▶ The SSEG analysis utilizes multiple regression analysis to control for legitimate non-discriminatory variables.

Gender and Race/Ethnicity Comparisons

► City Overall

Table 1. Gender and Race/Ethnicity Comparisons of 2014 Average Salary

Comparison Group	N	%	Annualized Salary	
			Avg. Salary	Ratio
Gender				
Male	7,318	62.1	\$81,059	
Female	4,472	37.9	\$72,752	89.8%
Race/Ethnicity				
White	7,332	62.4	\$81,365	
Hispanic	551	4.7	\$74,753	91.9%
Asian	1,690	14.4	\$74,727	91.8%
Native American	206	1.8	\$73,647	90.5%
Two or more Races	356	3.0	\$71,068	87.3%
Black	1,406	12.0	\$69,861	85.9%
NHPI	195	1.7	\$62,284	76.5%

Gender and Race/Ethnicity Interactions

► City Overall

Table 1. Gender and Race/Ethnicity Comparisons of 2014 Average Salary

Comparison Group	N	%	Annualized Salary	
			Avg. Salary	Ratio
Gender & Race/Ethnicity				
White-Male	4,707	40.1	\$83,989	
Nat. Amer.-Male	134	1.1	\$80,402	95.7%
Asian-Male	940	8.0	\$78,739	93.7%
Hispanic-Male	358	3.1	\$77,676	92.5%
White-Female	2,625	22.4	\$76,659	91.3%
Two or more-Male	187	1.6	\$74,383	88.6%
Black-Male	826	7.0	\$73,314	87.3%
Asian-Female	750	6.4	\$69,698	83.0%
Hispanic-Female	193	1.6	\$69,331	82.5%
Two or more-Female	169	1.4	\$67,400	80.2%
NHPI-Male	133	1.1	\$64,086	76.3%
Black-Female	580	4.9	\$64,943	77.3%
Nat. Amer.-Female	72	0.6	\$61,073	72.7%
NHPI-Female	62	0.5	\$58,417	69.6%

Note. Race/ethnicity totals do not include 54 employees for whom race/ethnicity was not available.

Note. The annualized salary is the employee's hourly rate multiplied by 2,088 hours.

Note. An average annual salary that is greater than an average annualized salary is a function of overtime being included in the average annual salary.

Wage Gap – Department Analysis

- ▶ 22 departments analyzed (30 or more employees)
- ▶ Gender
 - ▶ Median Female-Male Ratio – 96.7%
 - 13 departments (59%) favor men
 - 9 departments (41%) favor women
- ▶ Race/Ethnicity
 - ▶ Median Asian-White Ratio – 96.9%
 - ▶ Median Hispanic-White Ratio – 92.1%
 - ▶ Median Black-White Ratio – 88.6%
 - ▶ *Due to sample size issues, other race comparisons were not conducted by department.*

Wage Gap – Similarly Situated Employee Groupings

- ▶ Analysis of Discretionary Jobs
 - ▶ Median Wage-Gap Ratio – Difference in Annualized Salary
 - ▶ Median Wage-Gap Ratio (with controls) – Difference in Annualized Salary after controlling for merit variables (e.g., service years, time in job)

	Median Wage-Gap Ratio	Median Wage-Gap Ratio (with controls)
Female-Male	99.3%	100.2%
Asian-White	99.7%	99.9%
Black-White	99.0%	98.2%
Hispanic-White	99.4%	100.1%

Report Conclusions

- ▶ The City is paying similarly situated employees at similar rates regardless of Gender or Race/Ethnicity.
- ▶ The lower average salaries for women and people of color are a function of women and people of color being employed in lower paying jobs, levels, and departments.
- ▶ Women are more likely than men to be in part-time jobs.
- ▶ Men are more likely to be in premium pay assignments (e.g., SWAT, canine) in the police department.
- ▶ Women are more likely to receive step exceptions.
- ▶ Blacks are less likely to receive step exceptions.

Areas for Future Research

- ▶ Determine how employees are placed into part-time jobs or how jobs are assigned to be part-time positions.
- ▶ Review how premium pay assignments are made.
- ▶ Review the process for step exceptions.
- ▶ Investigate recruitment strategies for increasing the number of women and applicants of color into high paying jobs and departments.



Employment, Recruitment, and Retention



Analysis Process

- ▶ For each job, determine the availability of individuals by Gender and Race/Ethnicity within the Seattle Metropolitan area who have the requisite skills needed to perform the job.
- ▶ Compare availability to:
 - ▶ The current City workforce
 - ▶ Recent applicants (July 1, 2013 – June 30, 2014)
- ▶ Compare current workforce to:
 - ▶ Recently promoted employees
 - ▶ Recently separated and terminated employees

Analysis Notes

- ▶ Availability for each job was determined by U.S. Census data for the Metropolitan Seattle area.
- ▶ The City determined the Census codes for each job title.
- ▶ Underutilization was defined as a situation in which the percentage of women or people of color was less than 80% of the percentage of available women or people of color in the relevant labor pool.
 - ▶ The 80% test is a commonly used method when comparing employment to availability to determine practical underutilization

Results for Gender: City Overall

- ▶ 138% Female employees to availability
- ▶ 105% Female applicants to availability
- ▶ 102% Female promotions to current workforce
- ▶ 121% Female separations to current workforce

Results for Race/Ethnicity: City Overall

- ▶ 165% Employees of color to availability
- ▶ 187% Applicants of color to availability
- ▶ 98% Promotions for people of color to current workforce
- ▶ 112% Separations by people of color to current workforce

By Department and Job Group

- ▶ Although the overall numbers for the City look good, there are some departments and job groups that were underutilized for women and/or people of color.
- ▶ These departments and jobs groups are detailed in the report.
- ▶ Follow-up efforts should be made regarding these departments and job groups.

City of Seattle Next Steps

- **Closer look at Seattle Police Department, Seattle Fire Department and Seattle City Light**
- **Mayor Executive Order 2015-02**



Taking a closer look: Police, Fire & City Light

After removing Police, Fire & City Light from Citywide data set:

- Percent of females in City workforce jumps from 37% to 46%
- Unadjusted gender pay gap narrows from 89.7% to 98.2%
- Pay gap narrows even *before* controlling for experience, specialized skills, bargaining unit, market scarcity, or tenure

Gender	Males	Females	Pay Gap
Avg. Citywide Hourly Salary with Police, Fire, City Light	\$39.80	\$35.72	89.7%
Avg. Citywide Hourly Salary without Police, Fire, City Light	\$35.64	\$35.01	98.2%

- Without Police, Fire, and City Light, avg. hourly male salary in City decreases by over \$4 per hour but avg. hourly female salary only decreases by 70 cents



Mayor's Executive Order 2015-02

- **Signed by Mayor Murray on March 31st, 2015**
 - Affirms the Administration's continued commitment to achieving workforce equity in the City of Seattle and throughout our community
 - Establishes an action plan that supports these efforts – consistent with recommendations from Gender Pay Taskforce, Council Resolution 31523 (May 2014) and the DCI Report
- **Key Components**
 - Establishes a Mayor's Office directed Interdepartmental Team (SDHR, SOCR, SPD, SFD, SCL and SPU) to address specific action items identified in the DCI report
 - Integrates work of IDT with ongoing work across the City to identify and develop department-specific and more general strategies to achieve equity and aligned Human Resources practices and programs
 - Creates the Gender Justice Project

