



RE: **Rooney Rule**
TO: Ann Arbor City Council
CC: Stephen Postema, City Attorney; Tom Guajardo, HR Director; Margaret Radabaugh, Deputy City Attorney; Sara Higgins, Strategic Plan Project Coordinator
FROM: John Fournier, Acting City Administrator
DATE: 9/9/21

This memo is a follow up to resolution R-20-285 directing the City Administrator to implement a Rooney Rule for some city hires. While the City Council's resolution on this topic sent staff on a valuable and constructive exercise and resulted in a constructive examination of our hiring practices, I recommend that Council's direction in this resolution should be altered for several reasons outlined in this memo.

The Rooney Rule started as a hiring rule in the Pittsburgh Steelers football club, whereby executive level and coaching positions could not be filled until at least one person who is an ethnic minority was interviewed as a finalist for the position. The rule was later adopted by the NFL league-wide and has spread to other professional sports leagues and major corporations.

However, in recent years the Rooney Rule has been criticized for failing to produce diversity among executive leadership in the organizations where it has been implemented. Indeed, in the NFL the rate of hiring minority coaches has dipped significantly in the last few seasons, and the number of assistant NFL coaches who are ethnic minorities is even smaller. Additionally, African American coaches in the NFL often report feeling that they have no actual chance of landing jobs for which they interview—and that the process of being named a finalist is entirely performative.¹

In discussing this issue with Tom Guajardo, the city's human resources and labor relations director, the reasons behind the program's failure are clear. Mr. Guajardo previously served as the director of human resources at Ilitch Holdings, Inc. and worked to implement diversity hiring programs at the various companies associated with the organization. He advises the following:

I have first-hand experience in implementing the Rooney Rule with both the Detroit Tigers and the Detroit Red Wings back in the early 2000s while I was the Director of Human Resources at Ilitch Holdings, Inc. The rules from this compliance based culture created widespread animosity and actually had the reverse effect that this well-intentioned policy had set out to accomplish.

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Interestingly enough however, when our DEI initiatives across the street at the Fox Theater, with Little Caesars Pizza, initiated the values-based approach towards DEI and recruitment, the efforts were embraced, valued and easily implemented. This model was then successfully implemented into the remainder of the Ilitch owned businesses, including Motor City Casino, Olympia Entertainment, Blue Line Foodservice Distribution, among others. The pilot program of the Rooney Rule practice at the Tigers and the Red Wings was discontinued and immediately replaced with the values-based model that had successfully been implemented in other business units.

My recommendation would be to not use the Rooney Rule as a model here at the city, rather we should continue to bolster our current values-based DEI initiatives.

Additionally, we have run into an important logistical issue that prevents us from implementing the Rooney Rule. We cannot compel candidates for jobs in the city to disclose their demographic information—this information sharing is completely optional. The rate of disclosure varies from job to job, but generally speaking it is true that less than a majority but still a large portion of applicants do not disclose their race or ethnicity. Without that information it is very difficult, and at times



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impossible, to determine whether a final candidate pool would meet the requirements of the Rooney Rule.

In conclusion, the resolution from City Council was helpful in creating a constructive process for the City to examine and improve its hiring practices. Staff recommends that instead of pursuing a compliance-based approach to diversity in hiring, that we pursue a values-based approach where recruitment activities focus on accessing qualified candidates from diverse backgrounds from the beginning of the hiring process, and implementing training or intervention strategies for recruiters and hiring managers to identify and manage implicit biases that might disadvantage candidates who are not white men. With this in mind, we would recommend that the resolution be amended to indicate that the city's DEI program should focus particular attention on diversity in hiring. If the Council wishes to receive specific language to amend the resolution, staff would be happy to provide an amendment.

Endnotes

¹ <https://fivethirtyeight.com/features/the-rooney-rule-isnt-working-anymore/>