

City and County Of San Francisco San Francisco Human Services Agency

# Outcomes of San Francisco's JobsNOW! Subsidized Employment Program

National Association for Welfare Research and Statistics, August 2017

NOW!)



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A subsidized employment program operated by the San Francisco Human Services agency.

Started in 2009 as a TANF component of the American Recovery & Reinvestment Act stimulus program to assist local businesses, reduce unemployment, and pump \$\$\$ into the economy.

Continues now with TANF and local funding.

Primarily for clients on CalWORKs (TANF) and General Assistance benefits.

 Also non-assistance SNAP, non-custodial parents, Unemployment Insurance exhaustees, Refugee Cash Assistance, foster youth, public housing residents, justice-involved

# **Our Tiered Approach**

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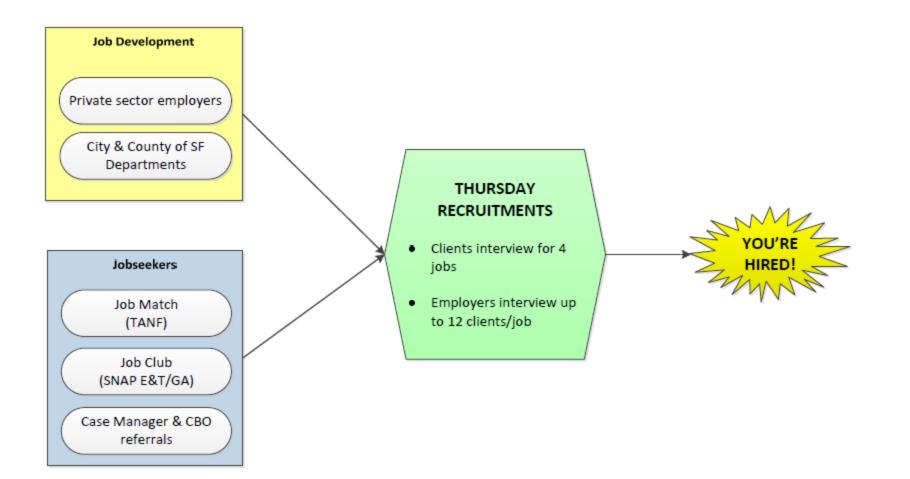
Jobs Now offers a job to anyone, regardless of work experience, education, or job skills.

- Work readiness is best taught on the job.
- Boosts client participation in work activities and helps meet TANF WPR requirements.

# The Jobs Now Tiers

Tier	Target population	Hourly wages	Duration of subsidy
Job Match	TANF only	SF min wage (\$14)	Up to 4 weeks
Community Jobs Program	Little work experience	SF min wage (\$14)	3 months (may be extended to 6)
Individualized Training Internship Program (ITIP)	Moderate experience/skills	SF min wage (\$14)	6 months
Public Service Trainee (PST)	Moderate experience/skills	\$14.69	6 months (may be extended to 12)
Wage Subsidy	More experience/skills	Tier 1: \$15 to \$16.49 Tier 2: \$16.50+	6 months
On-the-Job Training	More experience/skills	\$18+	Depends on occupation
Unsubsidized Jobs	More experience/skills	Various	N/A
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## **Weekly Recruitments**



### Two outcomes to measure

How many Jobs Now participants are still employed after the end of the wage subsidy?

How many clients are no longer on cash aid or food assistance after the end of the wage subsidy?

# **Additional Questions**

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How many clients appear to have stable employment after exit?

Do employment outcomes vary by Jobs Now tier?

For clients who do not successfully complete a Jobs Now placement or do not obtain unsubsidized employment after the placement, is it worthwhile to allow them a 2<sup>nd</sup> placement?

For clients who obtain multiple placements, are they doing so productively (i.e., progress from lower to higher Jobs Now tiers)?

# Methodology: Data Sources

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- Quarterly earnings data from California's Unemployment Insurance (UI) agency (California Employment Development Department, EDD), to examine clients' employment situation before, during, and after Jobs Now.
- Data from CalWin (a human services benefits management system) to examine clients' receipt of TANF, SNAP, & GA benefits before and after Jobs Now.
- Data from our Jobs Now database on placement of clients in subsidized and unsubsidized employment

# Methodology: Timeframe

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At the time of this analysis, the latest quarter of earnings data we had was the 4<sup>th</sup> quarter of 2016.

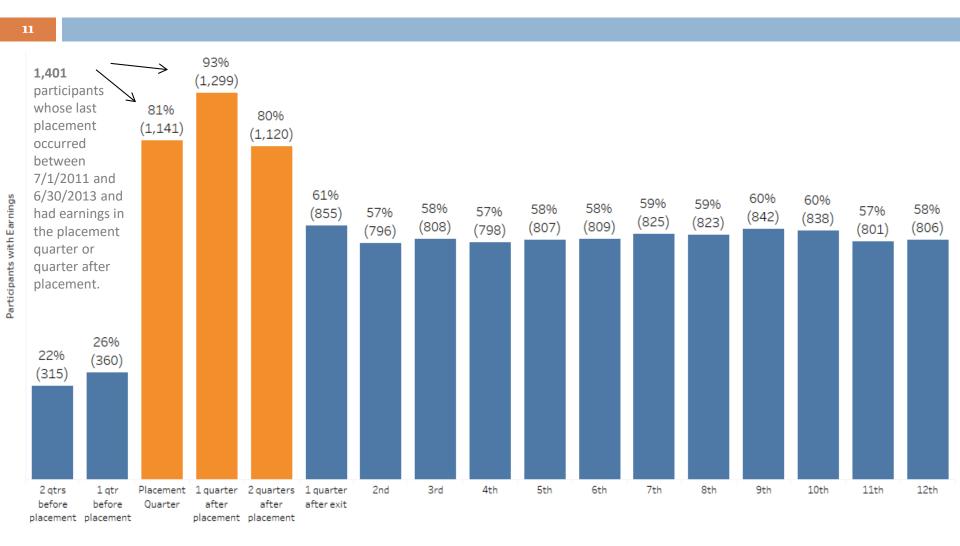
Since Jobs Now participation is generally 6 months long, we can examine outcomes:

- up to 3 years after exit, among those who participated from July 2011 to June 2013,
- up to 2 years after exit, among those who participated from July 2011 to June 2014,
- up to 1 year after exit, among those who participated from July 2011 to June 2015
- up to 6 months after exit, among those who participate from July 2011 to December 2015

## Limitations

- Not a controlled study. We cannot say whether outcomes we observe are caused by Jobs Now.
- We only have access to California UI earnings data.
  Participants who moved out of California appear to us as having no earnings. As a result, our estimates may be undercounts.

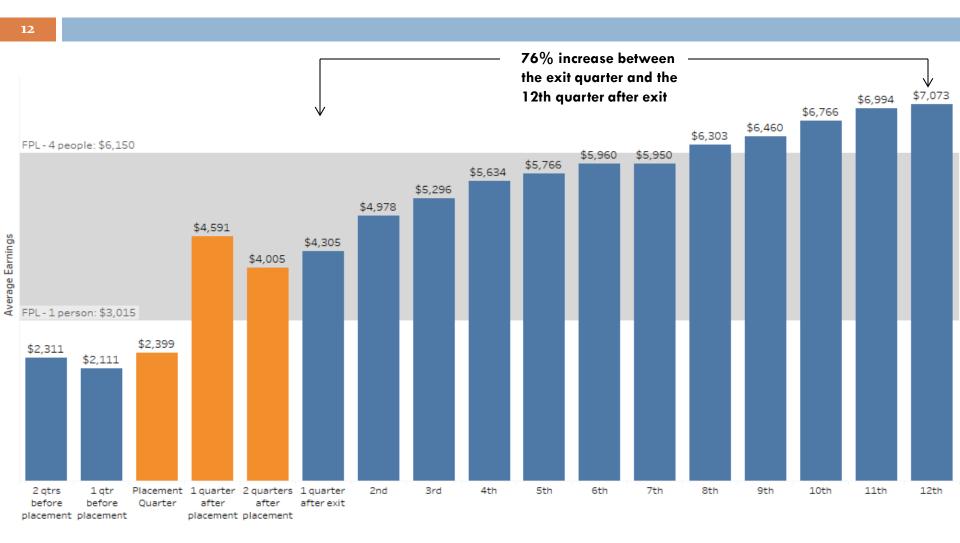
## 58% of clients had earnings 3 years after exit



Sources: California EDD quarterly earnings data, HSA Jobs Now data.

Note: For most participants, this analysis assumes an exit date of 6 months after the start date of their Jobs Now placement. For PST participants whose placements were longer than 6 months, this analysis examines their earnings up to 6 quarters after their exit date.

# Average earnings doubled before & after Jobs Now & then steadily increased



Sources: California EDD quarterly earnings data, HSA Jobs Now data.

Note: For most participants, this analysis assumes an exit date of 6 months after the start date of their Jobs Now placement. For PST participants whose placements were longer than 6 months, this analysis examines their earnings up to 6 quarters after their exit date.

# 70% of those previously on GA or TANF were no longer receiving cash aid 6 months after exit

159 156 344 659 GΑ 24% 52% 24% 157 110 135 402 TANF 27% 34% 39% 316 266 479 Grand Total 30% 25% 45% 1.061 On cash assistance CalFresh only No benefits

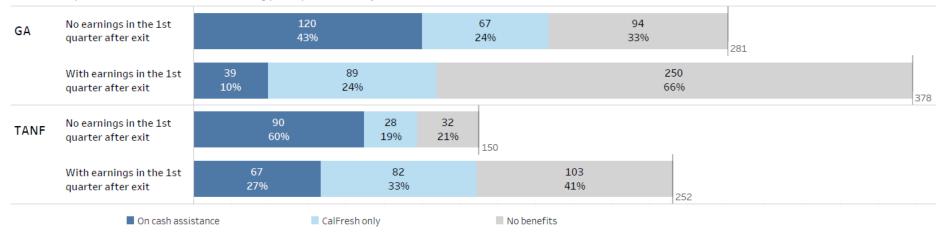
Benefit receipt 6 months after Jobs Now exit, among participants from July 2011 - June 2013

Sources: HSA Jobs Now and CalWin data.

Note: For most participants, this analysis assumes an exit date of 6 months after the start date of their Jobs Now placement. For PST participants whose placements were longer than 6 months, this analysis examines their earnings up to 6 quarters after their exit date.

### Those with earnings in the quarter after exit were over twice as likely to be off cash and food aid 6 months later

#### Benefit receipt 6 months after Jobs Now exit, among participants from July 2011 - June 2013



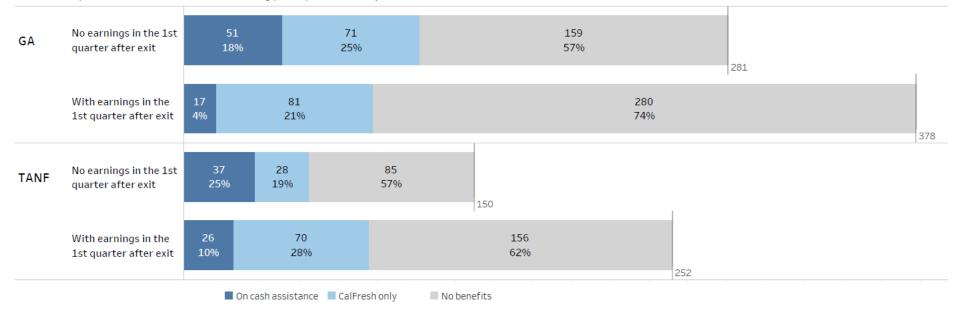
Sources: HSA Jobs Now and CalWin data.

Note: For most participants, this analysis assumes an exit date of 6 months after the start date of their Jobs Now placement. For PST participants whose placements were longer than 6 months, this analysis examines their earnings up to 6 quarters after their exit date. Differences in the percent on cash assistance and the percent on no benefits between participants with and without earnings in the 1<sup>st</sup> quarter after exit are statistically significant among both CAAP and CalWorks participants.

### ... and also 3 years later

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#### Benefit receipt 6 months after Jobs Now exit, among participants from July 2011 - June 2013



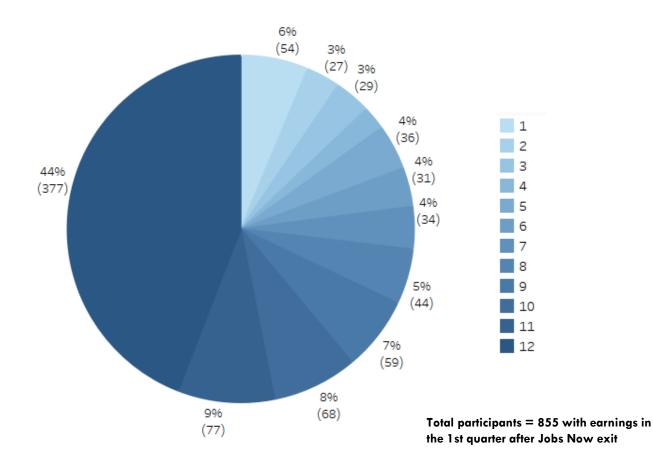
#### Sources: HSA Jobs Now and CalWin data.

Note: For most participants, this analysis assumes an exit date of 6 months after the start date of their Jobs Now placement. For PST participants whose placements were longer than 6 months, this analysis examines their earnings up to 6 quarters after their exit date. Differences in the percent on cash assistance and the percent on no benefits between participants with and without earnings in the 1<sup>st</sup> quarter after exit are statistically significant among both CAAP and CalWorks participants.

# 44% of those with earnings in the quarter after exit had earnings continuously for 3 years

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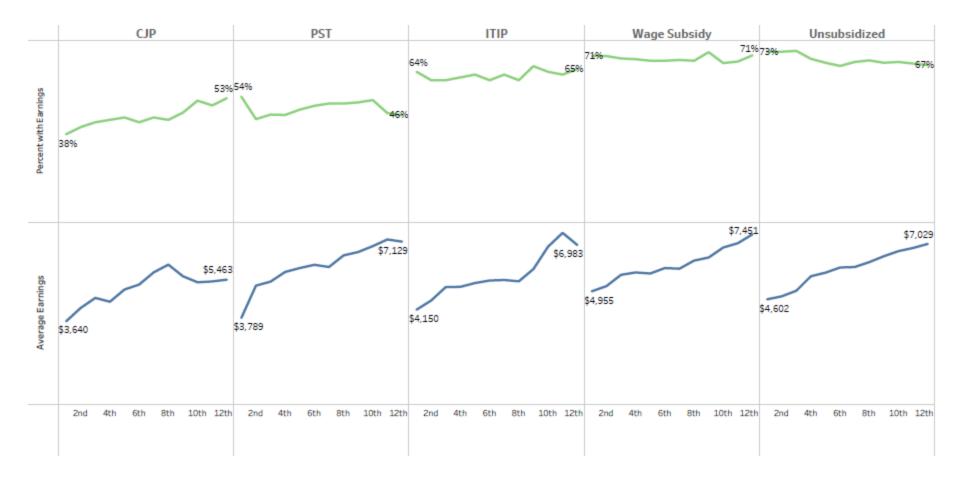
Number of Quarters Participants Had Earnings in the 3 Years after Exit (i.e., in the 12 Quarters After Exit)



### Outcomes vary by Jobs Now tier, as expected

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#### Employment rates by clients' last Jobs Now placement, among participants from 7/2011 to 6/2013

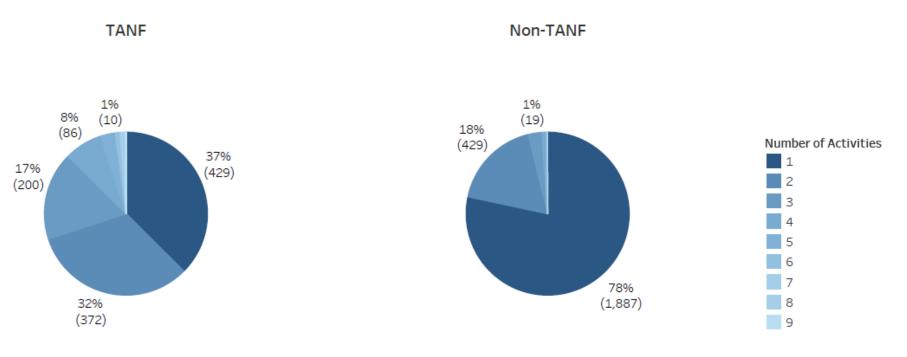


Sources: California EDD quarterly earnings data, HSA Jobs Now data.

# About 2/3 of TANF & 1/5 of all other clients have had multiple placements

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Number of Jobs Now activities, among participants from July 2011 to December 2015



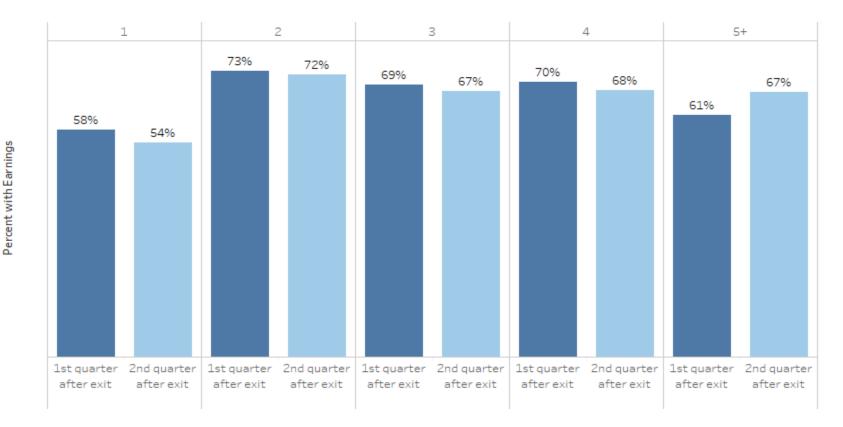
Total participants = 1,145

Total participants = 2,408

Participants with 2+ placements had higher employment rates after Jobs Now than participants with only 1 placement

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Percent with earnings in the 1<sup>st</sup> and 2<sup>nd</sup> quarters after exit, by number of placements, among participants from July 2011 to December 2015



Sources: California EDD quarterly earnings data, HSA Jobs Now data.

Notes: Differences in employment rates in the 1<sup>st</sup> & 2<sup>nd</sup> quarters after exit between clients with 1 activity and clients with 2, 3, and 4 activities were statistically significant at the 95% confidence level. Differences in employment rates between clients with 1 activity and clients with 5+ activities were not statistically significant at the 95% confidence level in the 1<sup>st</sup> quarter after exit, but they were statistically significant in the 2<sup>nd</sup> quarter after exit.

### If clients move through multiple tiers, is it productive?

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 We ranked the Jobs Now tiers from lowest to highest. We assigned a value to each tier, so that the lowest tier was given a 1, and the highest tier (unsubsidized employment) was given a value of 6.

Value	Jobs Now Tier
1	Job Match
2	Community Jobs Program (CJP)
3	Public Service Trainee (PST)
4	Individualized Training Internship Program On-the-Job Training
5	Wage Subsidy
6	Unsubsidized Employment

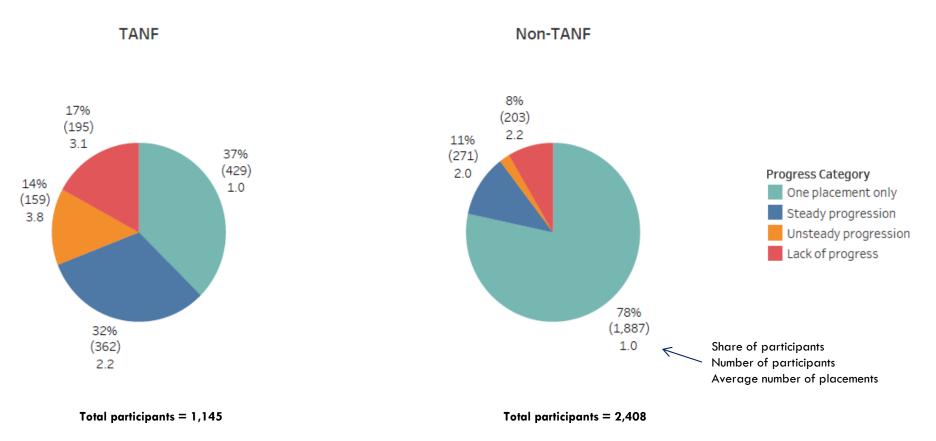
Clients were considered to have progressed if their last activity had a higher value than their first activity.

Clients were considered to have made **steady progress** if their next activity was always at a higher value than their preceding activity.

### 83% of TANF & 92% of all other clients made progress or had only one placement

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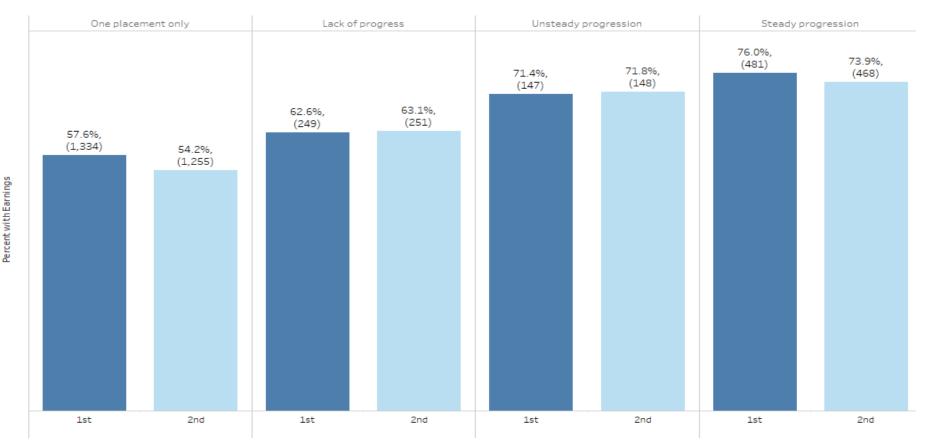
Jobs Now participants from July 2011 to December 2015, by progress category



Clients who made steady or unsteady progression had higher employment rates 3 to 6 months after exit than those with one placement only or lack of progress

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Percent with earnings in the 1<sup>st</sup> & 2<sup>nd</sup> quarters after Jobs Now, among participants from July 2011 to December 2015



Sources: California EDD quarterly earnings data, HSA Jobs Now data.

Notes: Both the One Placement Only and Lack of Progress categories had lower employment rates in the 1<sup>st</sup> and 2<sup>nd</sup> quarters after exit, compared to clients in the Unsteady Progression and Steady Progression categories. Their differences were statistically significant at the 95% confidence level. Differences in employment rates between the One Placement Only and Lack of Progress categories were statistically significant in the 2<sup>nd</sup> quarter after exit but not in the 1<sup>st</sup> quarter after exit.

# **Overall Conclusions**

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- Jobs NOW! seems to be successful overall in helping clients obtain and maintain jobs. But some work to do to help more clients achieve stable, higher-paid employment.
- The tiered structure seems to work. Most clients only do one tier, and relatively few clients do not progress to higher tiers.
- Giving clients a second chance appears to pay off. But we'll watch out for diminishing returns.
- Clients with only one placement not necessarily a good thing. Some who did not succeed may benefit from returning to Jobs Now.
- Message to clients try, try again. Things not working out in the past does not foretell the future.

## Contact

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