HSA Workforce Development Division

JobsNOW!



March 2017 Human Services Commission Meeting

JobsNOW! Overview

- Started in 2009 with American Reinvestment & Recovery Act stimulus funds to reduce unemployment and jumpstart the economy.
- Since that time JobsNOW! has made 19,025 placements and grown to a \$25M program.
- Subsidized employment model gives clients skills and experience to compete successfully in the job market.
- Open primarily to CalWORKs and CAAP clients; special initiatives serve foster youth, public housing residents and young adults involved in the justice system
- Program uses a tiered approach: a job for anyone, regardless of work experience, education or job skills

JobsNOW! Tiers

Tier	Target population	Hourly wages
Community Jobs Program	Little work experience	\$13
Individualized Training Internship Program	Moderate experience & skills	\$13
Public Service Trainee	Moderate experience & skills	\$14.69
Wage Subsidy	More experience & skills	Tier 1: \$15 to \$16.49 Tier 2: \$16.50+
On-the-Job Training	More experience & skills	\$18+
Unsubsidized Jobs	More experience & skills	Various

<u>Tier One</u> – For the least job-ready participants

Community Jobs Program (CJP1 & CJP):

- Work experience at non-profit organizations
- Mentoring, case management, soft and hard skills training
- Operated by HSA-contracted CBO partners

<u>Tier Two</u> - For participants with some skills and work experience

Individualized Training Internship Program (ITIP):

• Provides wage subsidies to non-profit employers for the first 6 months that they employ a client.

Public Service Traineeship (PST):

Internships with City & County of San Francisco agencies.

The Tier Structure

<u>Tier Three</u> - For participants with recent work experience and stronger skills

Wage Subsidy

 Reimburses private-sector employers for a client's wages for the first 5 months of employment

On-the-Job Training

 Provides wage subsidy to employers having difficulty finding qualified candidates who are willing to provide specialized OJT

Unsubsidized Employment

 HSA also works with employers willing to hire clients without wage subsidies

Stategies to Support Higher-Wage Jobs

- Increased qualifying wage to \$15/hour for the Wage Subsidy tier (previously tied to the local minimum wage)
- Created second level within the Wage Subsidy tier with a more generous employer subsidy for employers paying \$16.50+/hour
- Created OJT tier to help get our clients trained for higher-paying, specialized jobs that offer career progression
- Gleneagles pre-apprenticeship program for PSTs

JobsNOW Clients Placed

of Clients Placed



Participating Employers



Cost Per Participant

 Some of our clients need multiple JobsNOW! placements to obtain the experience and skills needed for the job market.

During FY14-15 & FY15-16	Average per participant
Number of placements	1.7
Spending	\$8,273

Overall, 62% of Jobs Now Clients Had Earnings in the Quarter After Exit

Participants with Earnings by Quarter Before, During, and After Jobs Now, 7/1/2011 to 6/30/2015



SUBSIDIZED EMPLOYMENT PERIOD

Sources: 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.

Employment Rates Vary by Jobs Now Tier, as Expected

Percentage of Clients with Earnings in the 1st and 2nd Quarters After Jobs Now Exit, by Jobs Now Tier



Average Quarterly Earnings More Than Doubled After Jobs Now

Average Quarterly Earnings Before, During, and After Jobs Now, 7/1/2011 to 6/30/2015



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 in the two quarters after their exit date.

Six Months After Jobs Now, 72% of Clients Who Had Been on CalWorks or CAAP Were No Longer Receiving Cash Assistance

Benefit Receipt 6 Months After Jobs Now Exit



Sources: HSA Jobs Now and CalWin data

Note: For most participants, this analysis examines their benefit receipt 1 year after their start date, or 6 months after their anticipated end date in Jobs Now. For PSTs whose placements lasted longer than 6 months, this analysis examines their benefit receipt 6 months after the end date of their PST position. Percentages may not total to 100 due to rounding.

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Long-Term Outcomes

We examined clients' outcomes 2½ years after exiting Jobs Now, among those who participated from July 2011 to June 2013:

- 56% of participants had earnings 2½ years after exiting Jobs Now
- Average quarterly earnings steadily increased, from about \$4,300 in the quarter after exit to almost \$6,700 in the 10th quarter after exit (a 55% increase)
- 78% of clients who had been on CalWorks or CAAP were no longer on cash assistance

Lessons Learned

- Work readiness is best taught on the job rather than in a classroom.
- Participant engagement increases in subsidized employment activities, as opposed to other, non-paid activities.
- The tiered approach, while more expensive in the short term, has long-term savings in reducing public assistance spending.
- The wage subsidy relationship with employers helps to increase participants' long-term employment.

Video Clip: JobsNOW! Participant and Client Testimonials

Questions?