

FY 16/17 San Francisco Citywide Workforce Services Inventory Findings



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EXECUTIVE SUMMARY

Beginning in 2015, the Alignment Committee solicited City departments for data to complete the annual Citywide Workforce Services Inventory (“Inventory”). The Inventory surveys all City departments that invest in the workforce development system, with the goal of gaining a better understanding of citywide workforce services, including programmatic gaps and redundancies.

The Inventory compiles available, agency-reported client demographics and program data. The original Inventory catalogued 18 departments, and provided the Alignment Committee with a baseline for citywide workforce inputs, outputs, and outcomes.

Since then, the Alignment Committee has refined the Inventory process to encompass all workforce programming across City departments, and standardize collection and data elements to harmonize analysis. Though the quality of this year’s data was significantly improved, OEWD recognizes that creating a robust, Citywide data collection and analysis system is an iterative process and welcomes feedback from City agencies and providers on methodology.

This year’s report summarizes workforce programming for 17 City agencies, accounting for 209 programs, and approximately \$108 million in funding unique to workforce development initiatives.

INTRODUCTION

In June 2014, the City and County of San Francisco established the Committee on City Workforce Alignment (“Alignment Committee”) through approval of Chapter 30 of the San Francisco Administrative Code (“Chapter 30”). Chapter 30 was intended to bring together key stakeholders to coordinate workforce development services across City departments and increase their effectiveness.

Staffed and convened by OEWD, the Alignment Committee is comprised of the Mayor’s Deputy Chief of Staff, the President of the Board of Supervisors, and the department heads of the City’s five largest workforce development programs at the time of its inception: Human Services Agency of San Francisco (HSA); Office of Economic and Workforce Development (OEWD); Department of Children, Youth and Their Families (DCYF); San Francisco Public Utilities Commission (PUC); and San Francisco Public Works (Public Works).

The Alignment Committee endeavors for the workforce development system to move in lock-step with the City’s economic development investments to ensure that new, stable, and growing businesses have the talented and qualified workforce necessary to achieve their goals.

In Fall 2017, the Alignment Committee submitted a Citywide Workforce Development Plan (“Plan”) as required by Chapter 30. The Plan assessed the City’s anticipated workforce development needs and opportunities over a five-year period, along with the recommend goals, strategies, and funding needed to meet those challenges. In addition, the Alignment Committee is tasked with submitting annual updates to the Plan.

Since 2015, OEWD has collected primary data on workforce programming and client outcomes through the Citywide Workforce Services Inventory (“Inventory”). This tool represents the data-driven goal of the Alignment Committee in collecting, assessing, and reporting on City workforce outcomes. This report presents key findings from the FY 2016-17 Inventory.

METHODOLOGY

Instrument

The Inventory instrument is a multi-page Excel spreadsheet that is distributed by OEWD (on behalf of the Alignment Committee) to a number of city departments with workforce programs (Appendix A: FY16-17 Citywide Workforce Services Inventory). OEWD requests that analysts from each department manually enter information into any available information into the data fields. Department analysts compile information from a number of different sources which are not standardized across departments, and therefore it's difficult to validate the information by an entity external to each department. OEWD has been trying to improve data consistency and over time, OEWD has refined the Inventory to reflect a more nuanced understanding of system outcomes.

In FY 2016-17, the Alignment Committee convened a Data Working Group to bring together City departments and workforce providers to advise on the formation of consistent terms, data point alignment, and inclusion of data fields consistent with Local, State, and Federal program reporting requirements¹. Recommendations from the Working Group were incorporated into this year's Inventory, contributing to a more robust understanding of citywide workforce development programming and outcomes.

This year's inventory solicited information on program budget, program descriptions and goals, service populations and types, community-based service provider partners, client demographic information (e.g., age, race, ethnicity, educational attainment, gender, et al.), client industry and occupation data for training and placements, and client residence by zip code, and includes workforce system service of persons experiencing homelessness, incarceration, and/or commuting from residence outside of San Francisco.

Process

In November 2017, OEWD distributed the FY 2016-17 Inventory to department heads from the 18 previously participating agencies. The deadline for completion was mid-January 2018. The 18 agencies solicited include:

- Adult Probation Department (APD)
- Department of Children, Youth and Their Families (DCYF)
- Department of Human Resources (DHR)
- Department of Public Health (DPH)
- Department of Public Works (Public Works)
- Department of the Environment (ENV)
- Human Services Agency of San Francisco (HSA)
- San Francisco Public Library (LIB)
- Mayor's Office of Housing and Community Development (MOHCD)

¹ Alignment Committee Data Working Group members included representation from the main five agencies (DCYF, HSA, Public Works, PUC, OEWD) and community-based organizations (CBOs) including Episcopal Community Services of San Francisco, Goodwill Industries, Japanese Community Youth Council, Jewish Vocational Service, Self-Help for the Elderly, Success Center SF.

- San Francisco Municipal Transportation Agency (MTA)
- Office of Civic Engagement and Immigrant Affairs (OCEIA)
- Office of Economic and Workforce Development (OEWD)
- Port of San Francisco (PORT)
- Recreation and Parks Department (RPD)
- San Francisco District Attorney (SFDA)
- San Francisco Public Utilities Commission (PUC)
- San Francisco International Airport (SFO)
- Sheriff's Department (SHF)

All agencies except for SFDA participated in the inventory process for FY 2016-17. SFDA exempted participation because the agency no longer hosts a workforce development program. The 17 remaining City departments completed their inventories by February 2018.

In an effort to improve data quality, OEWD invited department analysts to two technical assistance workshops held in mid-November and December 2017 and encouraged analysts to contact OEWD with any remaining questions throughout the two-month compilation process. A number of department analysts reported that the workshops provided helpful information, and that the compilation process was more clearly articulated this year than in years past.

Analysis

Department analysts submitted their inventories by February. Subsequently, OEWD aggregated results from the inventory, ultimately yielding data summaries by program, department, and workforce system. This report reflects findings for workforce expenditures, programs, and client data, as well as analysis of results. The preliminary results were presented to the Alignment Committee for review and discussion.

INVENTORY RESULTS

Snapshot of the Citywide Workforce Development System

As discussed in the above methodology section, the Alignment Committee analyzes the City's workforce programs with support from OEWD and based on departmental program and budget data. This iterative process benefits from continued improvement. In this spirit, the Committee welcomes further feedback and refinement through upcoming stakeholder input.

In FY 2016-17, the City and County of San Francisco's workforce development system reported 32,019 clients served (Figure 1). It is important to note that these are the data for clients accessing workforce services across agencies, and do not reflect unduplicated numbers². For comparison, the total clients served by workforce development programming in FY 2015-16 was 39,650, in FY 2014-15 was 41,269 and in FY 2013-14 was 46,525 (Figure 1).

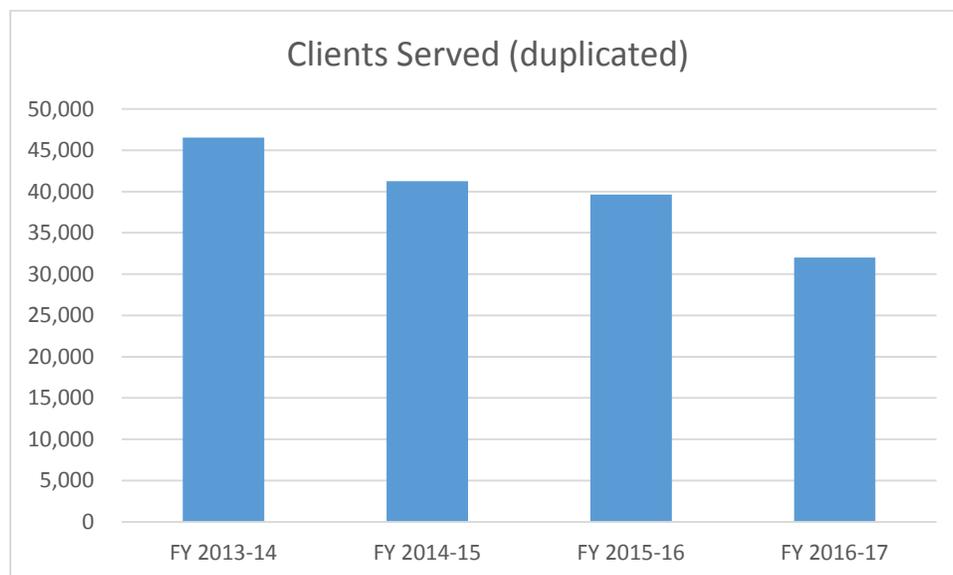


Figure 1. Workforce Clients Served FY 2013-14 through FY 2016-17.

This trend is not indicative of program inefficiency, but instead reflects the current state of employment in San Francisco. Similarly, the unemployment rate has decreased over all collection periods. As of April 2018, the unemployment rate for San Francisco is at a record low 2.4%³, with significant growth across most industries. In keeping with this unique economic landscape, the San Francisco workforce system may serve fewer clients due to the increased availability of jobs and subsequently lower barriers to enter and participate in the labor market. Nonetheless, the Inventory demonstrates that the programmatic infrastructure and evaluation mechanisms are in place for any future economic downturns.

² This means that the same client may have accessed workforce services from more than one department, in which case that client would be double counted in the total number of clients served by the workforce system

³ California Employment Development Department. (28 April 2018). *Unemployment and industry jobs in San Francisco-Redwood City-South San Francisco*. Labor Market Information Division.

Clients Served by the City Workforce Development System

Client Location

While residential location is not reported for all clients across all departments, reported data provides a rich picture of where the City targets its programs, services, and investments. Understanding the concentration of workforce development service provision allows the City to take strategic approaches to outreach and service delivery. While this past year's data demonstrate marginal changes, it is important to assess workforce programming by zip code across the three fiscal years in which the Alignment Committee has requested these data.

Though the workforce development system serves clients from across the City, Figure 2 describes service dispersion across zip codes.

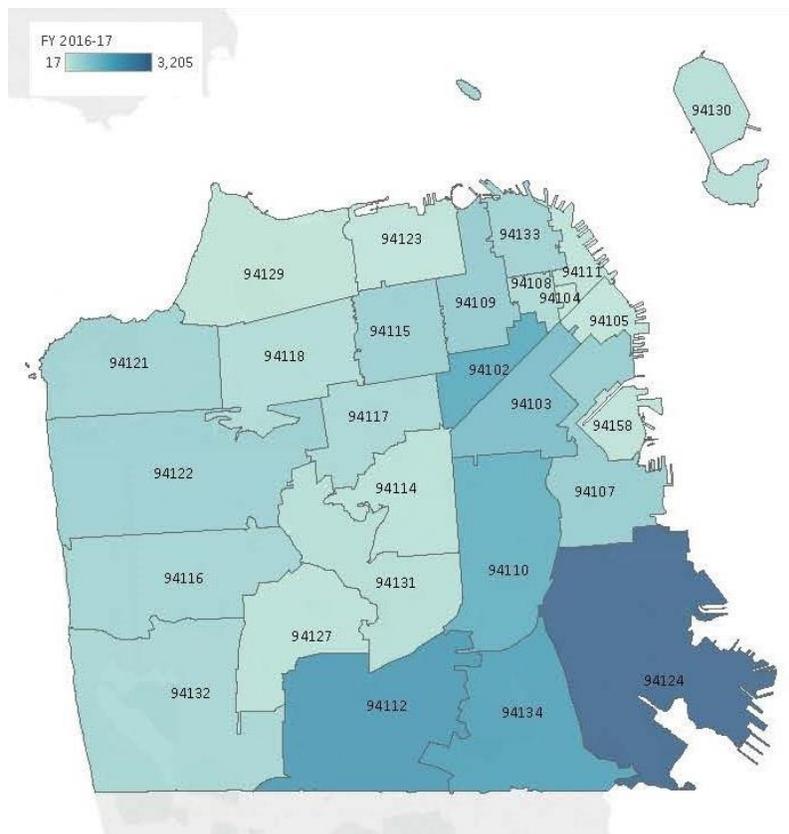


Figure 2. City Workforce Services by Residential Location (FY 16-17).

As is typical of the San Francisco workforce system, the majority of clients come from the Bayview Hunters Point area (Figure 3). Historically, this neighborhood has demonstrated consistent workforce system involvement and—as Bayview Hunters Point represents a significantly impacted neighborhood working against rising housing displacement—workforce providers have conducted significant community outreach in this area to stabilize clients' economic viability. Workforce clients in this neighborhood have increased 26% from FY 2014-15 to FY 2016-17.

A closer look at the distribution of clients across zip codes reveals that the number of clients without zip code information significantly decreased over time. While the FY 14-15 inventory indicated that zip code information was unavailable for 25,276 clients, the total decreased to 19,583 in FY 2015-16 and further dropped to 4,585 in FY 2016-17. This improvement in data quality confirms that the workforce inventory adjustments bear results.

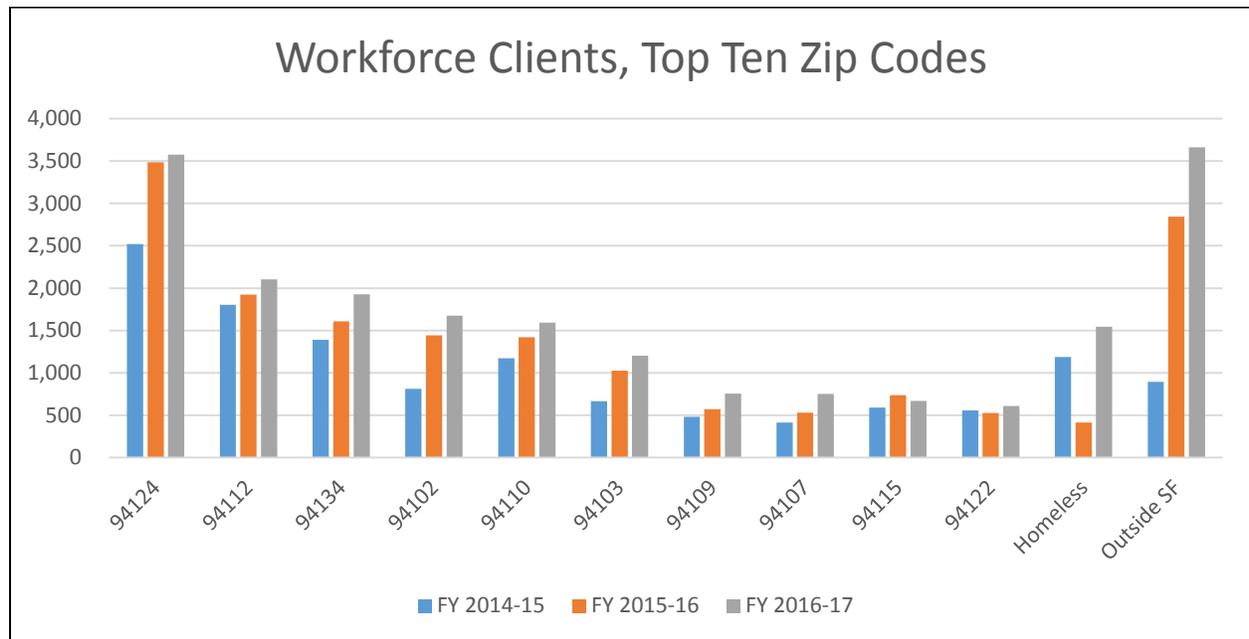


Figure 3. Workforce Clients by High Frequency Zip Codes, Last 3 Years.

The number of clients served in each of the top ten zip codes went up. However, because the overall number of clients served by the workforce system significantly decreased over the same time period, it's likely that this change is primarily resulting from having improved zip code data rather than an increase in service provision in those areas.

It is also noteworthy that the numbers of clients who reside outside the City and individuals experiencing homelessness have been on the rise between FY 2014-15 and FY 2016-17. Though there appears to be a significant dip in persons experiencing homelessness who accessed services from FY 2015-16 to FY 2016-17, this is likely a reporting error, and should not be considered a valid data point, though the overall trend is significant and may be due to increased access to workforce-related services for this vulnerable population. Clients outside of San Francisco have increased significantly from FY 2014-15 (n=894) to FY 2016-17 (n=3,663). Department-level analysis demonstrates that SFO accounts for 57.8% (n=2,118) and OEWD accounts for 14.4% (n=528) of this distribution. In addition to serving City and County of San Francisco clients, SFO serves clients from San Mateo County. Similarly, due to state and federal restrictions, OEWD may not turn away clients who meet the criteria for Workforce Innovation and Opportunity Act federal monies. In the future, it may be worthwhile to determine an exclusion mechanism for clients who do not reside in San Francisco. Without the SFO and OEWD skew, clients from outside of San Francisco account for a negligible 3.5% of total clients served.

Client Demographic Data

Race and Ethnicity

In FY 2015-16, the Alignment Committee began requesting client race and ethnicity information for the Inventory. While the FY 2015/16 inventory indicated an unknown race for more than 50% of the clients, that number decreased in FY 16/17. The “Other” race category also significantly declined, suggesting that program-level collection of race and ethnicity data has improved, though the reliability is unknown.

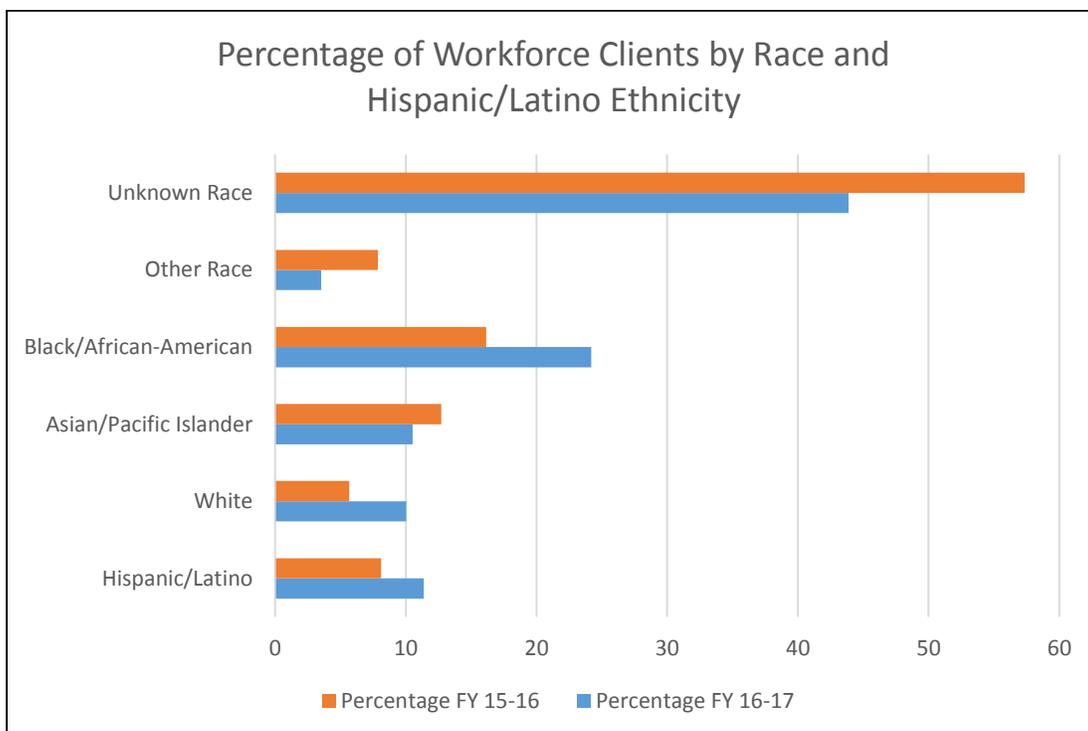


Figure 4. Percentage of Clients by Race and Hispanic/Latino Ethnicity, Last 2 Years.

In FY 2016-17, the largest number of workforce system clients for which data was available identified as Black or African-American (Figure 4), encompassing almost one-quarter of all clients. The African-American unemployment rate is more than double that of any other race in San Francisco, therefore a high workforce system participation is anticipated. This is positive in that the workforce system is reaching clients who may be of the most need, as reflected by unemployment distribution. However, more than two years of data will be helpful to understand if there are any trends or if some of the fluctuations needs further evaluation to rule out possible data reporting inconsistencies.

Gender and Sexual Orientation

For the first time, gender identity, sex at birth, and sexual orientation were included in the Inventory, in large part due to recommendations from the Alignment Committee Data Working

Group. As referenced in the methodology, not all departments can legally comply with this request due to the nature of their workforce programming. As an example, departments which place workforce clients directly into unsubsidized work opportunities may not solicit these categories or else violate Title VII of the Civil Rights Act of 1964.

Consequently, the quality of available data is low, and does not provide coverage for all workforce clients (n=28,301). The following gender identity categories cover workforce clients: female (37.9%, n=10,725), male (35.3%, n=9,994), trans male (0.4%, n=118), trans female (0.1%, n=36), and genderqueer or gender non-binary (0.1%, n=28), with over 26% of clients unreported (Figure 5).

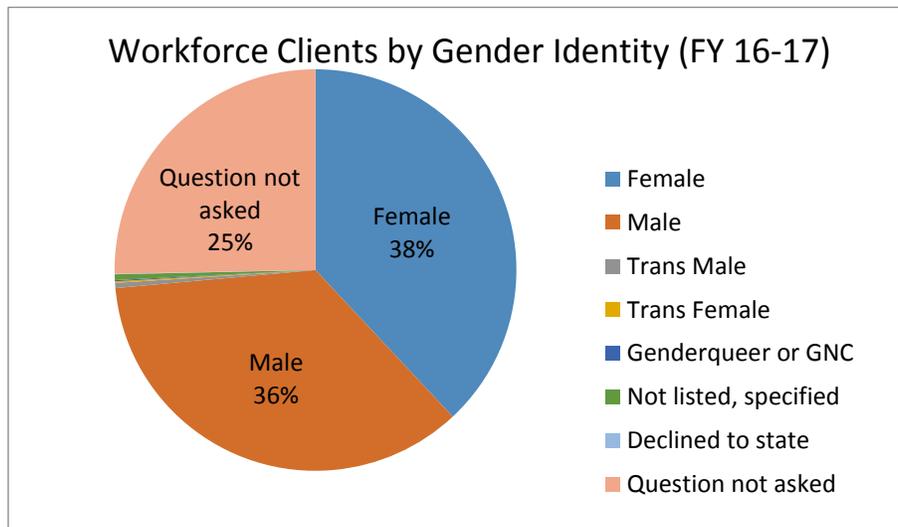


Figure 5. Workforce Clients by Gender Identity

Over 76% of clients did not report their sexual orientation and therefore these data are not significant for findings here. In the future, departments and programs may consider best practices for incorporating this information into intakes where appropriate, and engaging staff in the necessary training to implement best practices in eliciting this information in service of equitable distribution of service delivery.

Though the quality of data for gender identity and sexual orientation is low, analysis of available figures demonstrates a close split between female- and male-identified clients, with female-identified clients several percentage points above male-identified clients. This is positive in that the workforce system provides equal service distribution by gender.

Client Educational Attainment

Workforce programming must track client's current educational attainment, in order to determine how best to serve clients who may be un- or underemployed. Additionally, clients with limited educational attainment may need additional intensive services, such as GED preparation, English language training, or else placement in vocational training programs.

The Inventory began collecting client educational attainment data in FY 2015-16. In FY 2016-17, the largest number of workforce system clients had earned less than a high school graduation equivalent. Figure 6). Almost one-third of City workforce clients had less than a high school education. The variation in client volume by educational attainment is in line with unemployment rate projections across these demographics.

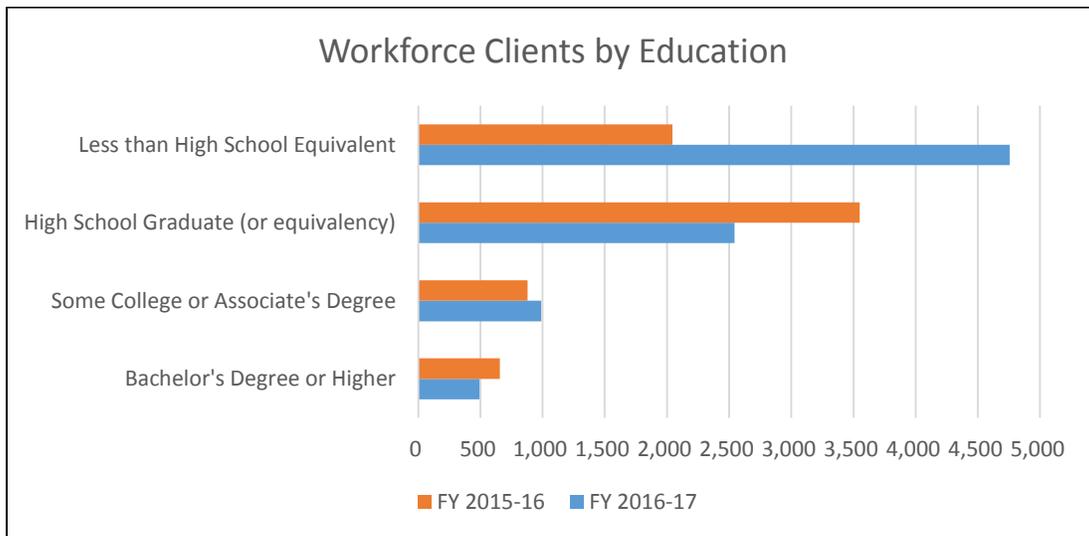


Figure 6. Workforce Clients by Educational Attainment, Last 2 Years.

Though only a small percentage of total workforce clients, clients with some college credit or higher (n = 1,500) reflect the diverse needs and capacity for service provision throughout the workforce system. Due to economic and other factors, even highly-credentialed individuals require services such as incumbent or dislocated worker training for recently laid-off workers. The workforce system acts as a protective factor for these individuals, in order to prevent San Francisco residents from underemployment or the onset of poverty.

According to data from the inventory, Workforce clients with less than a high school equivalent more than doubled from last year to this year. These data are not sensitive enough to detect causation, though it is possible that this change reflects the increase in service delivery to youth age 16 to 24, who may still be enrolled in high school or have recently become disconnected from the education system (Figure 7). Similarly, high school graduate clients increased, and this may also reflect the service increase for this age population.

Client Age

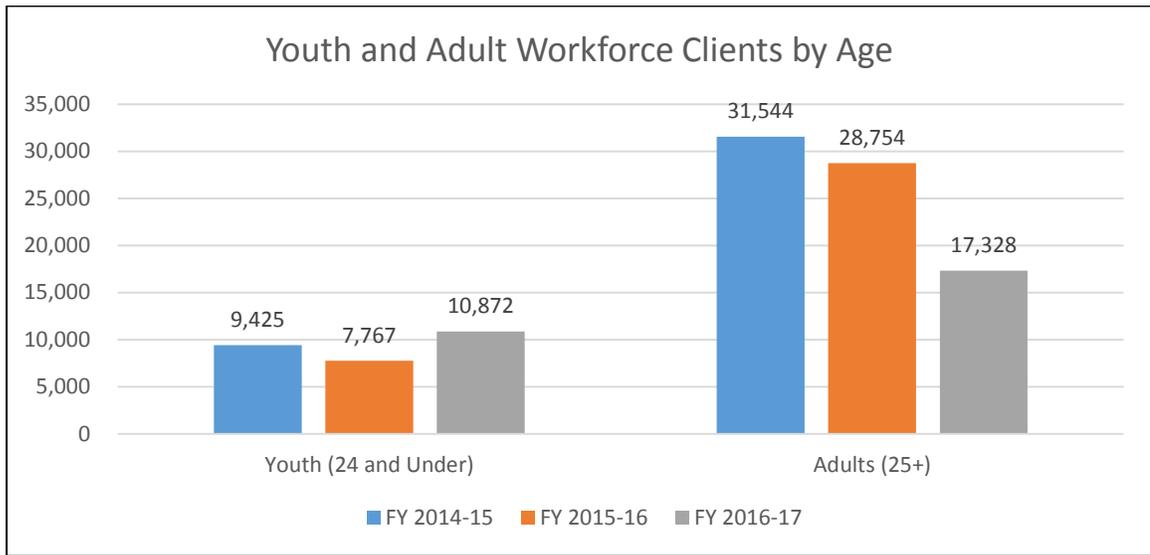


Figure 7. Youth and Adult Workforce Clients by Age, Last 3 Years.

Inventory results demonstrate growth in workforce programs serving youth but a decrease in reported adult clients. FY 2016-17 programs nearly 11,000 youth clients aged 14-24 years old, 41% more than the prior year (Figure 5). DCYF accounts for 42% of youth clients served. Workforce programs reported serving 17,328 adult clients, a significant drop compared to FY 2015-16.

City Expenditures and Funding Summary

Overview

In FY 2016-17, the City and County of San Francisco’s workforce development system expended approximately \$108 million (Figure 8). FY 2016-17 results demonstrate that the total number of programs (n=209) across the system has remained about the same as last year. The majority of services is provided by external nonprofit service providers, many of which are funded by multiple city departments (Appendix B: Overview of Community Based Organizations by Funding Department).

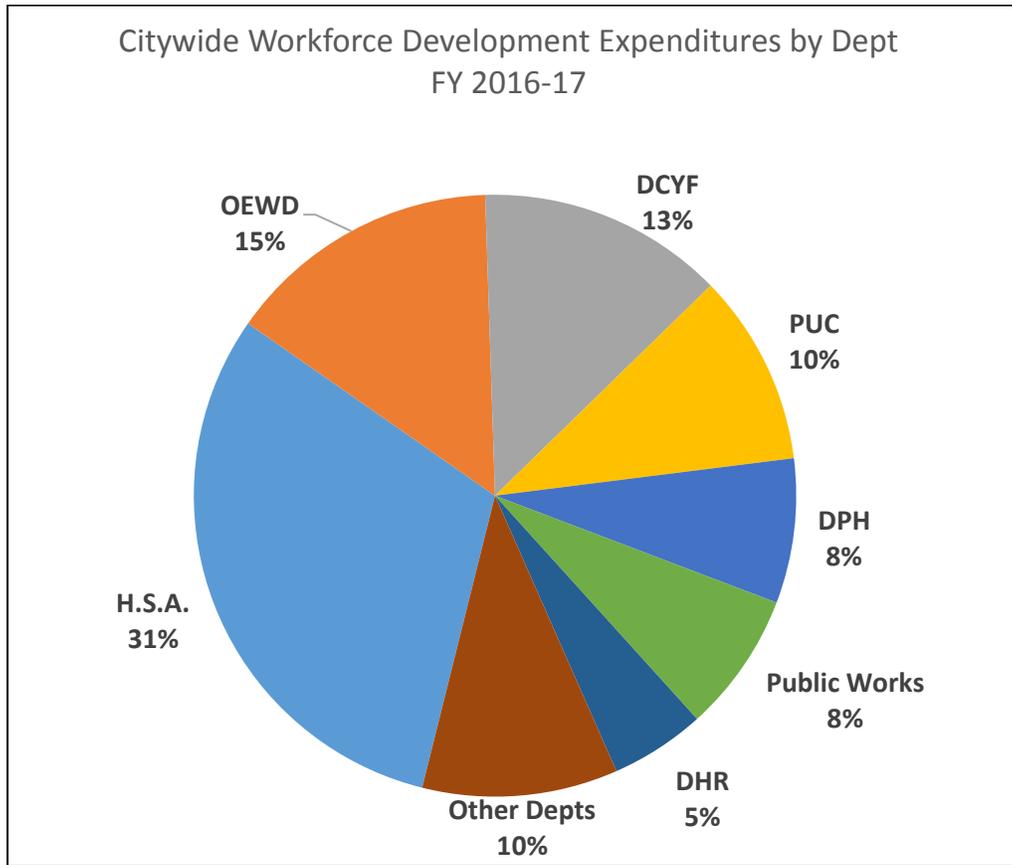


Figure 8. Departmental Share of Citywide Workforce Expenditures, FY 2016-17

The departments with the most workforce development spending are HSA (31%), OEWD (15%), DCYF (13%), PUC (10%), and Public Works (8%). These expenditures by department parallel the percentage of clients served by each department.

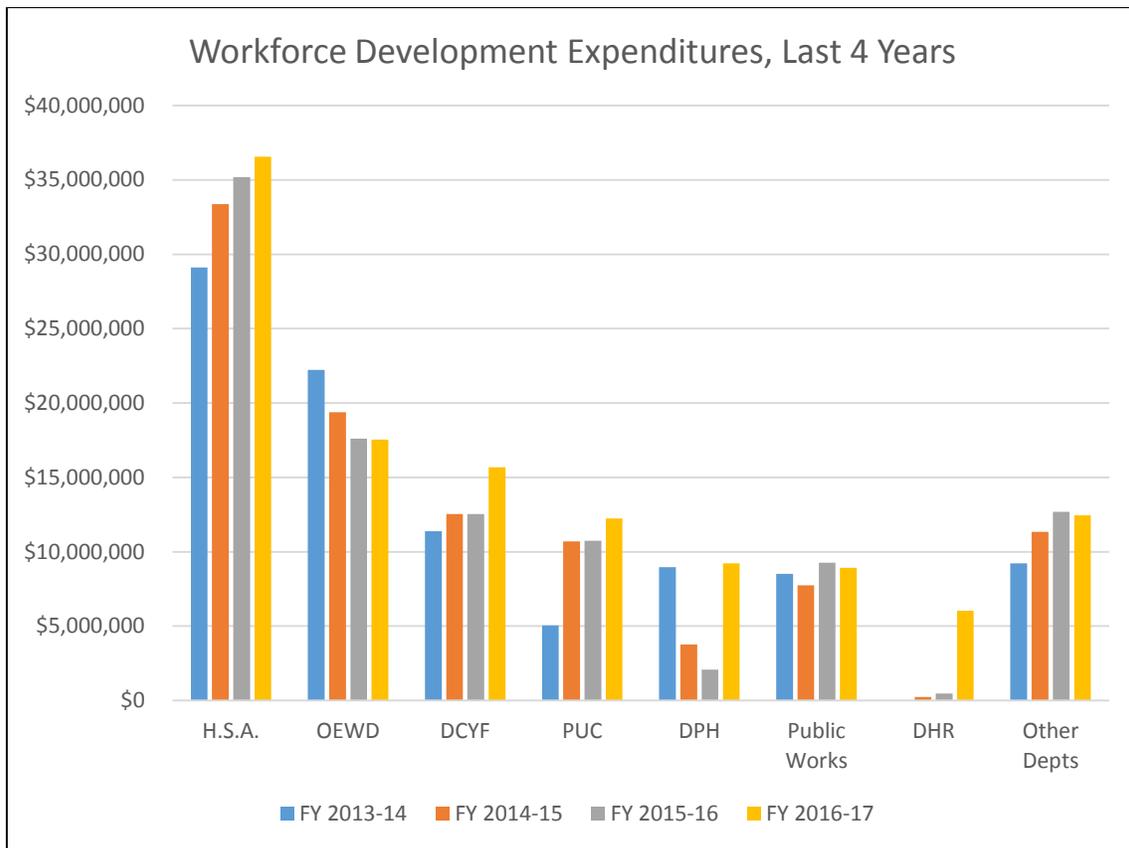


Figure 9. Workforce Development Expenditures by Department, Last 4 Years.

The inventory does not provide insights on the reasons for funding level changes over time. However, for departments with large portions of federal or state funding, changes in funding allocations may account for some of the changes. For departments that show big fluctuations, such as DPH or DHR, it is possible that inconsistencies with reporting of workforce programming are the root cause of the significant swings. Additional dialogue with those departments will be sought in preparation for next year’s workforce inventory.

Funding Sources

Approximately \$108 million⁴ of workforce funding comes from the General Fund, City enterprise funds, State and Federal funding, and other local revenue (Figure 10). Most of the funding for workforce development programs were local in nature, with over \$46 million coming from the City’s General Fund and over \$10 million coming from other local sources (most importantly the Prop C Children’s Fund). Additionally enterprise departments, such as the PUC, invest over \$18 million from into workforce development services. State or federal funding accounted for over \$30 million of City workforce program funding.

⁴ The total of workforce funding may be slightly overstated as a result of double counting of work-orders. While OEWD analysts tried to eliminate any double counting of funds transferred between city departments in the form of work orders, the total may still reflect minor overlaps.

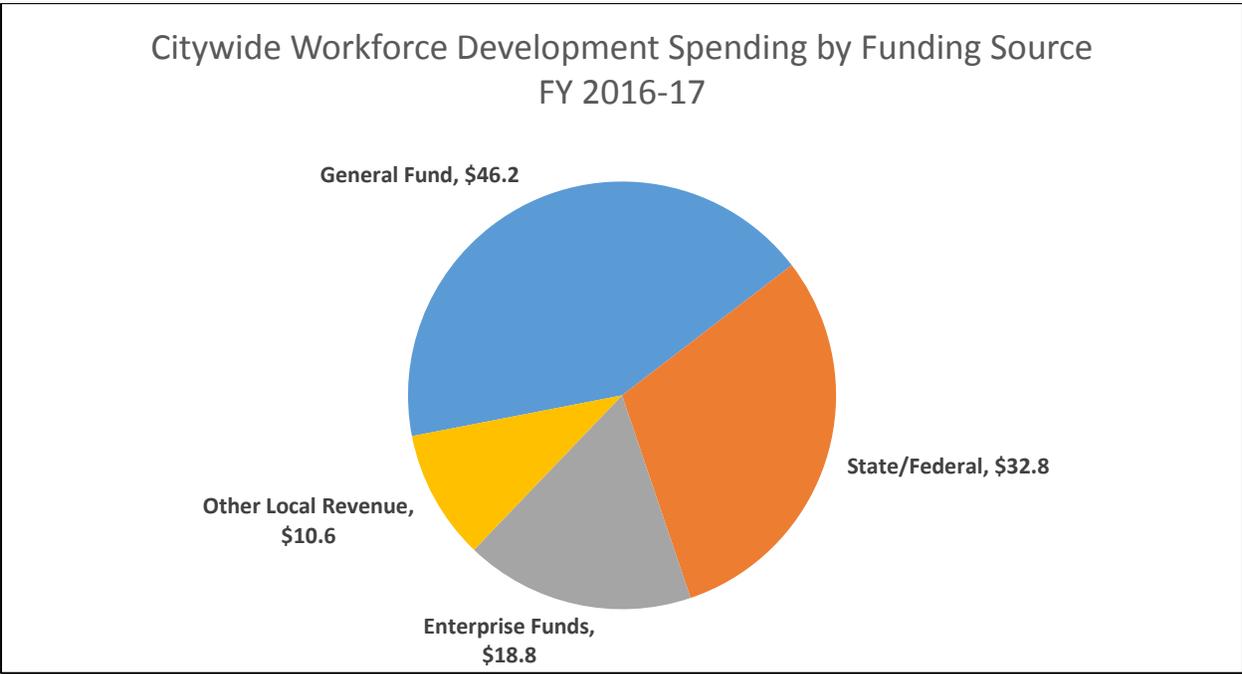


Figure 10. Citywide Workforce Development Spending by Funding Source, FY 2016-17

This year’s Inventory required more detailed data input for funding allocation than in past years, therefore year-over-year comparison is not possible. These funding streams are typical for workforce development programs, though City departments are exploring private sector and non-governmental strategic fund opportunities to diversify revenue.

Client Training and Placement Outcomes

This year, the Inventory began requesting detailed client vocational and occupational training. This delay in collection was in recognition that not all workforce programs track this information. In an effort to move City agencies toward collecting and reporting this information, the Data Working Group recommended that these categories were added to this year's Inventory. Another year of coordination with member departments—and training on integration—will be necessary to gather enough information for a clear picture of the City's training landscape.

As is typical within the public-sector workforce development industry, workplace retention data is low-quality and does not reflect the real numbers of clients who remain in the workforce beyond the 3 month mark. This is due in part to client drop-off after service completion, limited capacity for retention tracking in program work flow, and underdeveloped data collection methods. Of the 17 departments participating in the Inventory, 13 failed to report any data. Even where data was reported reliability is likely low. Therefore, no analysis of retention data has been included in this report. However, OEWD has been exploring alternative methods for collecting this data outside of programmatic self-reporting.

One way to improve data that demonstrates whether clients remain in the workforce after placement would be to rely on the State of California's Unemployment Information (UI) data base. Unfortunately this data is only partially available. For example, OEWD is able to obtain verification of employment status from the state for clients whose services are funded through the federal Workforce Innovation and Opportunity Act allocation. Unfortunately, the same access is not available for clients whose services are funded from other sources. H.S.A through its memorandum of understanding with the California Department of Social Services is able to receive retention information for all its clients on a quarterly basis. It would greatly benefit the workforce system to replicate similar agreements with the State of California agencies.

Training Programs

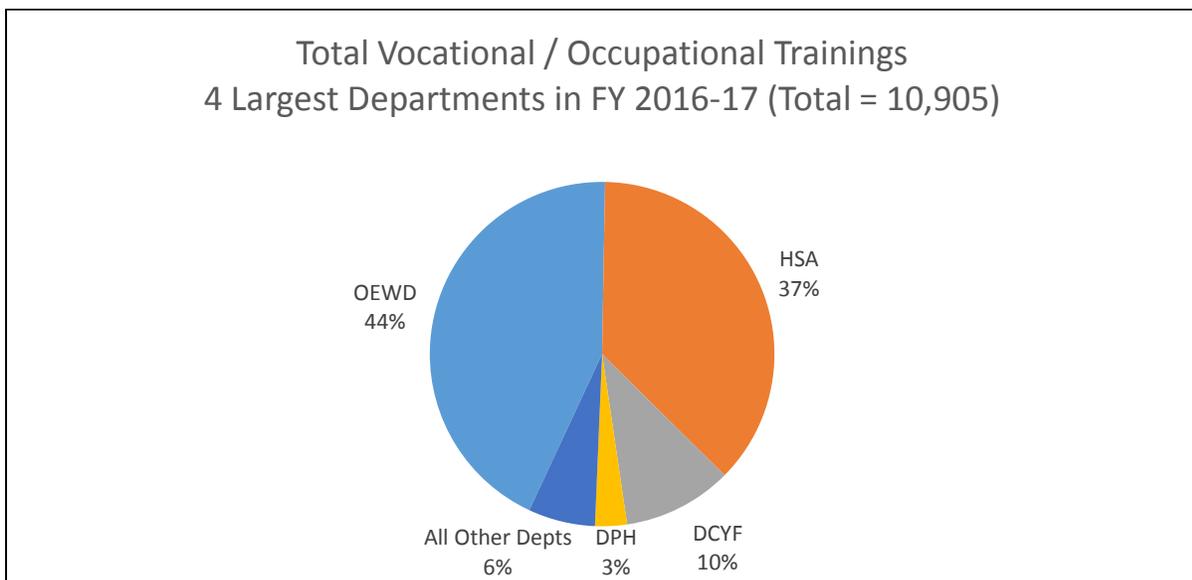


Figure 11. Completed Vocational and Occupational Training by Department (FY 2016-17)

Data for the “vocational and occupational training” category covers completed industry-specific vocational or occupational training programs. Unsurprisingly, OEWD and HSA, the two departments that provide workforce development services as their core function, carry the lion’s share of completed vocational and occupation training programs.

Client Placement Outcomes

Though more departments track client placement than training completion, reporting may improve in the future as all departments adjust their collection protocols. The Inventory differentiated unsubsidized and subsidized placements in departmental data collection (Figure 12).

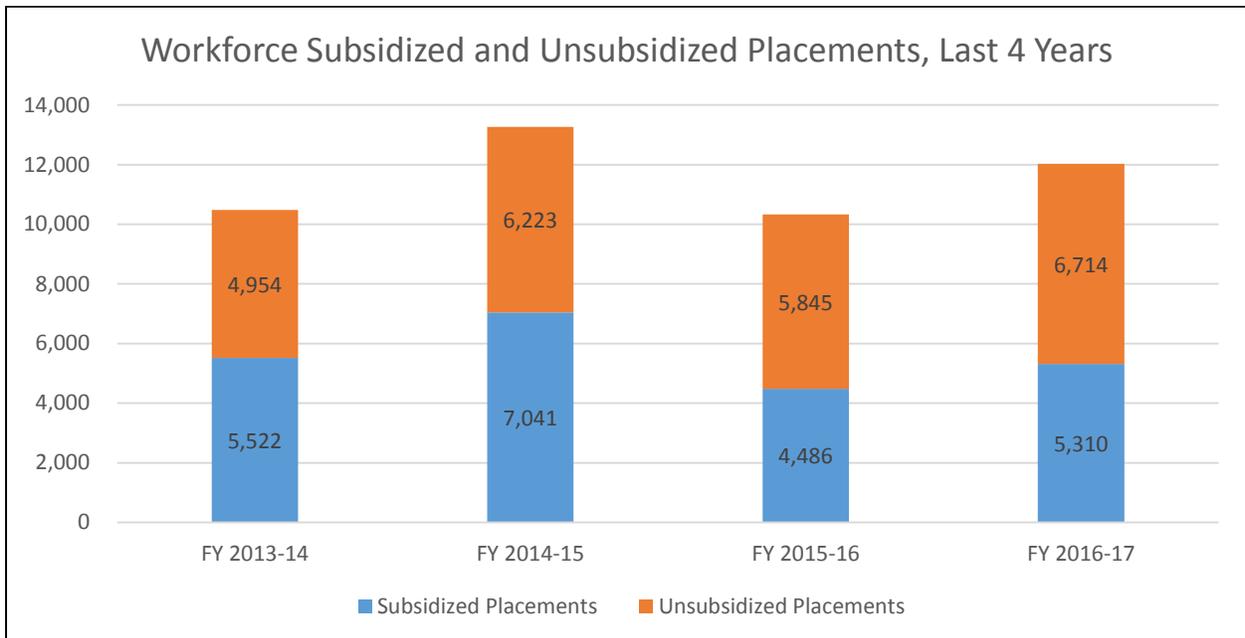


Figure 12. Workforce Subsidized and Unsubsidized Placements, Last 4 Years

Though the frequency of clients placed in unsubsidized employment fluctuates over the years, client placement as a percentage of workforce clients show an upward trend (Figure 13). This is significant because the number of clients served by the workforce system decreased on the whole, yet unsubsidized placements have increased over the years.

	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Total Clients Served	41,571	35,046	33,805	30,505
Unsubsidized Placements	4,954	6,223	5,845	6,714
Percentage	11.9%	17.8%	17.3%	22.0%

Figure 13. Unsubsidized Placements as Percentage of Clients Served, Last 4 Years.

As unsubsidized employment is the ultimate goal of a healthy workforce system, these metrics demonstrate the workforce system's overall focus on mission critical outcomes.

CONCLUSION

In comparison to previous inventories, this year's collection efforts emphasized data consistency. For the first time, the Inventory included data element definitions, standardizing terms and fields across departments, which assisted interdepartmental analysts in collecting, cleaning, and compiling their data.

As an example, previous inventories combined data elements, such as zip code by age or zip code by race, based on common data collection processes at OEWD. This double-barrel questioning created confusion among analysts external to OEWD and led to unique Inventory modifications or incompleteness of all fields, ultimately resulting in problems with end-use data processing. With the support of the Data Working Group, this Inventory isolated each data point to prevent double-barreled entry, create categories which are mostly consistent across City agencies and workforce providers, and include aspirational categories to identify best practices in collection of non-standardized data.

In contrast to past years, the FY 2016-17 Inventory expanded data collection for priority populations, funding and expense categories, training and placement programs, demographic information (gender identity, sex at birth, and sexual orientation), refined client workplace retention, and client earnings. This additional data will have to be collected for a couple more years before an assessment of the information will provide valuable insights.

Despite more positive feedback from City analysts, OEWD analysts detected significant data quality issues for the FY 2016-17 compilation. Inventory data collection requires City agency self-reporting, which may not reflect consistency across analyst understanding, analyst methodology, agency definitions, program-level data, and/or data cleaning, despite the Working Group's best efforts to standardize terms and processes.

As the Inventory has evolved over time, new iterations of the instrument include fields unfamiliar to City agencies that have not participated in the revision process. Additionally, agency analysts vary by year, and experience with the instrument decreases as a consequence of significant staff turnover. Unfamiliarity with the instrument increases reporting error frequency. Moreover, though the data fields were assigned through the Alignment Committee Data Working Group and workforce providers, some analysts—notably ones that did not participate in the Working Group—reported that the new fields (e.g., gender, sexual orientation, age) were not legal to solicit in the context of their workforce programming. Additionally, analysts from a few departments were unable to include client zip code data because their provider intake processes do not gather this information.

As the Alignment Committee continues to standardize data elements and collection within departments, the accuracy of current data is expected to improve, and we may retrospectively recognize previous reporting errors. Consequently, comparison data may be flawed as we are in the beginning stages of developing reporting procedures. Creating a Citywide data collection protocol is an iterative process, which has improved every year since inception. We will continue to leverage this tool to gain a deeper understanding of Citywide workforce development programming.

Appendix A: FY 2016-17 Citywide Workforce Services Inventory

Appendix B: Overview of Community Based Organization by Funding Department