



ACCELERATING EMPLOYMENT RETENTION STRATEGIES FOR THE PRECARIOUSLY HOUSED

Project Findings

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ABOUT THE PRICE CENTER

The mission of the USC Sol Price Center for Social Innovation is to develop ideas and illuminate strategies to improve the quality of life for people in low-income urban communities.

The USC Sol Price Center for Social Innovation acknowledges the Gabrielino/Tongva peoples as the traditional land caretakers of Tovaangar (the Los Angeles basin and So. Channel Islands), and we acknowledge our presence on the ancestral and unceded territory of the Chumash, Kizh, and Tataviam nations. We recognize and are committed to lifting up their stories, culture, and community. We pay our respects to the Honuukvetam (Ancestors), 'Ahihirom (Elders), and 'Eyoohiinkem (our relatives/relations) past, present, and emerging.

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ACCELERATING EMPLOYMENT RETENTION STRATEGIES FOR THE PRECARIOUSLY HOUSED

EXECUTIVE SUMMARY

The USC Sol Price Center for Social Innovation launched the *Accelerating Employment Strategies for the Precariously Housed* project in 2021, in partnership with LeadersUp, a national nonprofit committed to bridging the divide to create an inclusive, antiracist economy. With funding from the State of California Workforce Accelerator Fund, this project aimed to identify employer-led solutions to recruiting, hiring, and retaining precariously housed individuals. By leveraging the expertise of employers and adapting the Design Thinking model, this project offers learnings across the “employment pipeline” for employers to engage in hiring and retention strategies that expand employment opportunities for precariously housed individuals. The employment pipeline refers to the stages of hiring, retention, and long-term economic stability for job seekers. This report outlines the findings from the project’s activities including an employer survey, Innovation Lab sessions, and case studies.

Key Takeaways

- A significant portion of employers do not feel confident in their understanding of the unique barriers and needs of precariously housed jobseekers and employees. One way to bolster their understanding is to collaborate with organizations and resource centers that specialize in serving precariously housed populations.
- Strengthening systems coordination can facilitate access to resources for precariously housed employees and jobseekers at various intervention points. Systems coordination requires strategizing, planning, and reaching solutions across existing efforts in both regional housing and employment sectors to minimize duplicate efforts. Investing in the tools and resources needed to coordinate housing and employment strategies can support the hiring and retention of precariously housed workers.
- The COVID-19 pandemic gave rise to new challenges for hiring and retaining workforce talent, including those already experiencing housing precarity. Employers can adapt by approaching employment with empathy and adopting a culture of flexibility due to the challenges that job applicants and employees may face outside of the workplace.
- Technology can provide advantages for hiring and recruiting new talent. For example, cell phones and text messaging job applicants can expand the opportunities for those looking for work. Additionally, both in-person and virtual resources can target a larger population of precariously housed job seekers attempting to expand their skill-range or job market.

BACKGROUND

Employment is inextricably linked to housing stability. An analysis of the 2009-2011 Milwaukee Area Renters Study revealed that low-income workers forcibly removed from their homes had a 1 in 3 chance of losing their jobs, compared to a 1 in 6 chance for workers with stable housing (Desmond and Gershenson, 2016). Additionally, low-income workers frequently do not have steady jobs with flexible work schedules or paid leave options (Kang, 2019; Desmond and Gershenson, 2016). As a result, workers lack the flexibility to tend to personal matters, including finding affordable housing. Furthermore, during May 2020, an estimated 1.8 million residents in Los Angeles County were newly unemployed. Even more troubling, 365,000 renter households did not receive unemployment benefits because they were likely not to apply or ineligible, leaving them vulnerable to eviction amidst of the COVID-19 pandemic (Blasi, 2020). While employment alone cannot fully resolve poverty and homelessness, it plays an important role in ensuring a person can enter and maintain housing stability.

The *Accelerating Employment Retention Strategies for the Precariously Housed* project sought to more deeply explore the reciprocal relationship between housing and employment stability by identifying employer-led solutions for addressing common hiring and retention barriers among the precariously housed workforce through an employer survey, Innovation Lab sessions, and case studies.

EMPLOYER SURVEY

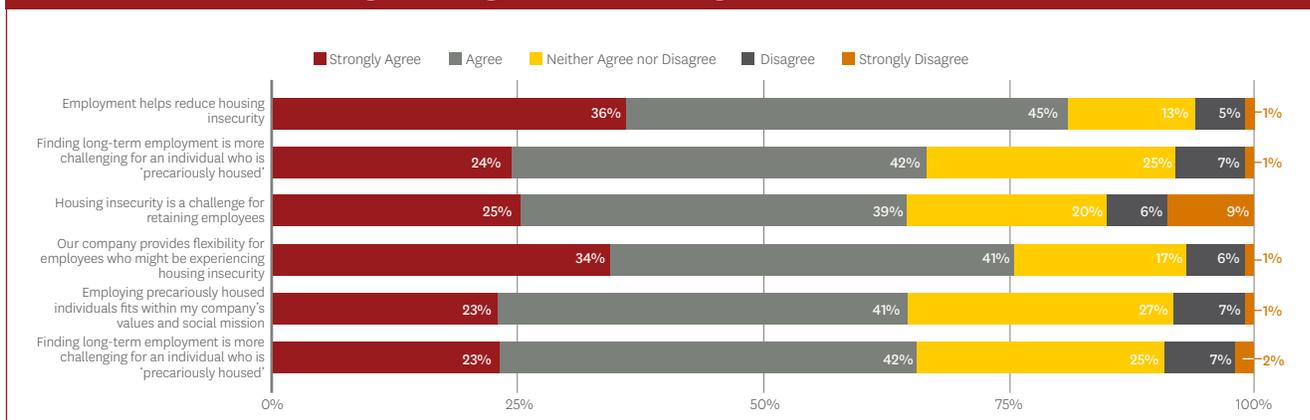
The Price Center surveyed employers in Los Angeles County to understand how employers currently support precariously housed employees. Employers were asked about their company’s practices to support precariously housed employees both before and during the pandemic, to capture how the pandemic may have shifted employer supports. The survey sample included a total of 1,037 respondents from employers across the LeadersUp and Price Center networks and represented various sized employers from different industries.

The most represented employer industries in the sample were construction (17%), education (10%), health services (12%), finances (17%), and food manufacturing (12%). Other industries in the sample included nursing, science, maintenance, telecommunications, food service, storage, and administrative. The survey also included companies of varying sizes: small (11%), medium-sized (29%), and large (10%).

Employer Insights on Housing Insecurity

Employers were asked a series of questions in response to the following definition of “precariously housed” from the U.S. Department of Housing and Urban Development: “Precariously housed or housing insecurity is commonly defined as an umbrella term that encompasses several dimensions of housing problems people may experience, including affordability, quality, insecurity, and loss of housing.” Our survey showed that the majority (69%) of employers identified having either hired or employed individuals who met these criteria of “precariously housed.” Figure 1 below shows how employers across the sample responded to questions about their understanding of housing and employment stability. Additionally, when asked about how they perceived housing insecurity as a challenge for their employees, a majority of small companies strongly agreed that “employment helps to reduce housing insecurity,” more often than medium-sized (34%) and large (24%) companies. Broadly, 75% of all companies in the sample agreed or strongly agreed that they “provide flexibility for employees who might be experiencing housing insecurity.” When tabulated across company size, medium-sized employers were more likely to strongly agree with this statement (37% compared to 26% and 22% for large and small companies, respectively).

FIGURE 1. To What Extent Do You Agree or Disagree With the Following Statement?



Employee Challenges & Resources Offered

While many businesses were already facing difficulties in hiring and recruitment, the pandemic exacerbated those challenges. Figure 2 illustrates that over a third of companies struggled to attract talent (37%) before the pandemic. Other common challenges included hiring in a virtual setting (28%) and high staff turnover (23%). However, more companies reported limited capacity to seek new talent (80%) during the pandemic.

Although employers faced difficult hiring challenges even before the pandemic’s onset, employers redirected resources to address new challenges around recruitment and technology. As shown in Figure 3, prior to the pandemic, companies in this sample provided resources like housing assistance, one-on-one coaching or mentoring, transportation vouchers, and emergency funding. After the onset of the pandemic, the challenges faced by these employers shifted in important ways, as did the resources that they provided. For example, stay at home orders and safety measures limited the staff capacity to seek new talent. Additionally, the need for flexible hours and counseling increased with workers facing unprecedented stress and responsibilities at home while trying to maintain productivity in their workplace during the pandemic.

FIGURE 2. What is The Biggest Recruitment Challenge for Your Company?

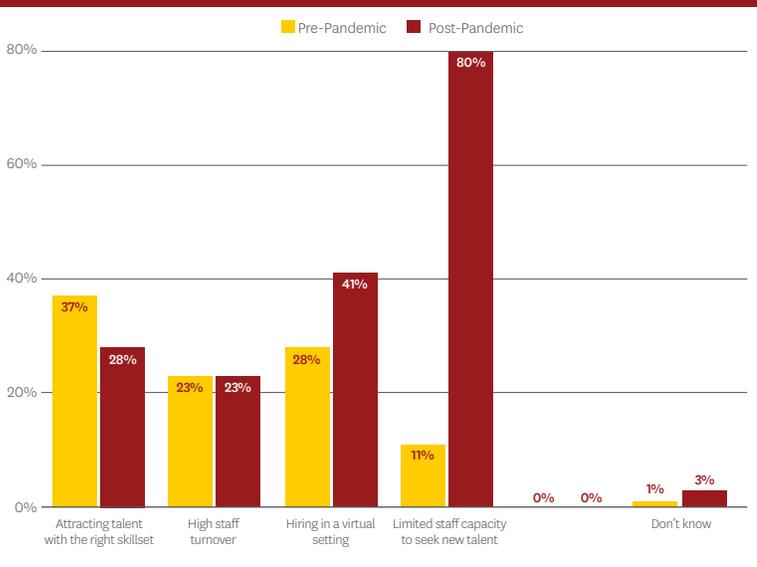
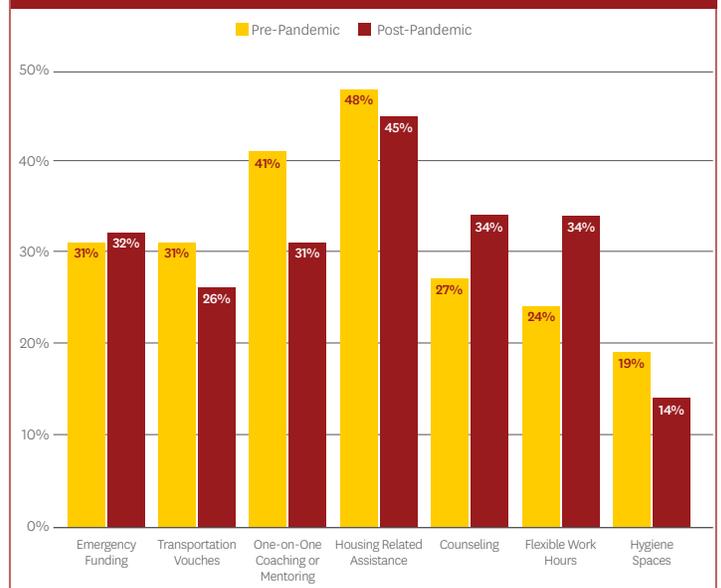


FIGURE 3. (1) Prior to COVID-19, Did Your Company Provide Any of the Following for Employees? (2) Did Your Company Provide Any of the Following for Employees in Light of COVID-19?



ENGAGING EMPLOYERS THROUGH DESIGN THINKING

The *Accelerating Employment Strategies for the Precariously Housed Project* aimed to work with employers to come up with feasible solutions to increase hiring and retention among precariously housed workers. The project team adapted the Design Thinking model (Brown & Wyatt, 2010; Ciudad-Real et. al., 2021) to engage employers in solution-based problem-solving. The Design Thinking process addresses the needs of individuals and communities by adopting them as end-users of a product. By implementing this strategy, employers identified challenges they encounter when trying to engage the precariously housed workforce. Subsequently, employers brainstormed potential solutions to facilitate job opportunities for precariously housed workers. The following section describes this method and the findings that resulted.

Innovation Labs

The Price Center and LeadersUP developed two Innovation Labs to engage employers in developing potential strategies that may increase hiring and retention opportunities for precariously housed individuals. The two labs convened a total of 15 participants that represented employers and homeless service providers for design thinking sessions.

The main topics were:

- what it means to be precariously housed
- recruitment challenges employers face
- resources that employers provide for employees and
- critical barriers to hiring and retaining this population.

Through these Innovation Labs, the project team was able to identify a problem statement: *Individual-level barriers, such as a lack of training and housing, are reinforced when there is gap in employer awareness of employee needs and resource availability. Paired with an uncertain pandemic economy, these factors have compounding effects on a person's job stability and opportunity.* The employer sessions underscored the need to provide clear definitions and a common understanding of the unique challenges of the precariously housed workforce in order to begin strategizing potential solutions. Employers identified hiring and retention difficulties, participated in a scenario exercise, and explored solutions throughout the Lab.

During these sessions, employers identified challenges to increasing precariously housed workers' hiring and retention rates. These challenges included:

- Employers and supervisors often prefer a "don't ask" approach in attempts to remain neutral and unbiased towards their treatment of potential and current employees. Therefore, they often don't know a job seeker or current employee's housing circumstances.
- Employers do not always have all the resources available to adequately support precariously housed individuals. For example, healthcare benefits are often needed among precariously-housed job seekers, but many may struggle to find an entry-level or transitional job with those benefits.

- Precariously housed individuals need trauma-informed support, which involves understanding the emotional impact of housing instability as a trauma, and providing additional consideration for their well-being. However, these principles are not widely known or practiced outside of service provider practitioners or employers managing day-to-day activities.
- Employee retention has dropped since the pandemic and hiring has become more difficult due to labor shortages and competition. Similarly, employers found it difficult to expand capacity given the uncertainty the pandemic presented.
- Housing instability can cause retention challenges. Employees may also struggle with having adequate transportation to and from work, particularly if they have long commutes due to housing unaffordability.
- The lack of technological resources and knowledge exacerbates recruitment challenges. For example, some job seekers may not have access to the internet or the technological skills necessary to apply for a job.

Employers also discussed possible solutions to these challenges. The following are some of the recommendations put forth by employers during the design thinking sessions:

- Create job-based mental health groups to provide a sense of community. Wellness checks between employers and employees can provide emotional support and shed light on the situations people go through, including those facing housing insecurity.
- Notice if precariously housed employees are treated differently as compared to other employees.
- Collaborate with organizations with expertise in housing stabilizing supportive resources. Trade unions can help job seekers find jobs in specialized industries. Staffing companies can also provide entry level positions or contract-to-hire jobs.

- Provide financial supplements to help employees alleviate financial burdens. In a post COVID-19 economy, job seekers are willing to commute longer distances if jobs provide flexibility and higher wages. Therefore, employers can attempt to mirror the job flexibility provided during the pandemic.
- Provide transportation vouchers, technology reimbursements, and other nontraditional monetary benefits like a savings program. Additionally, transportation accommodations and carpooling support programs may be beneficial for those who lack reliable transportation.
- Use cell phones and text messages as recruiting tools. These strategies have been successful for many employers because most people have a cell phone.

EMPLOYMENT PIPELINE FOR THE PRECARIOUSLY HOUSED

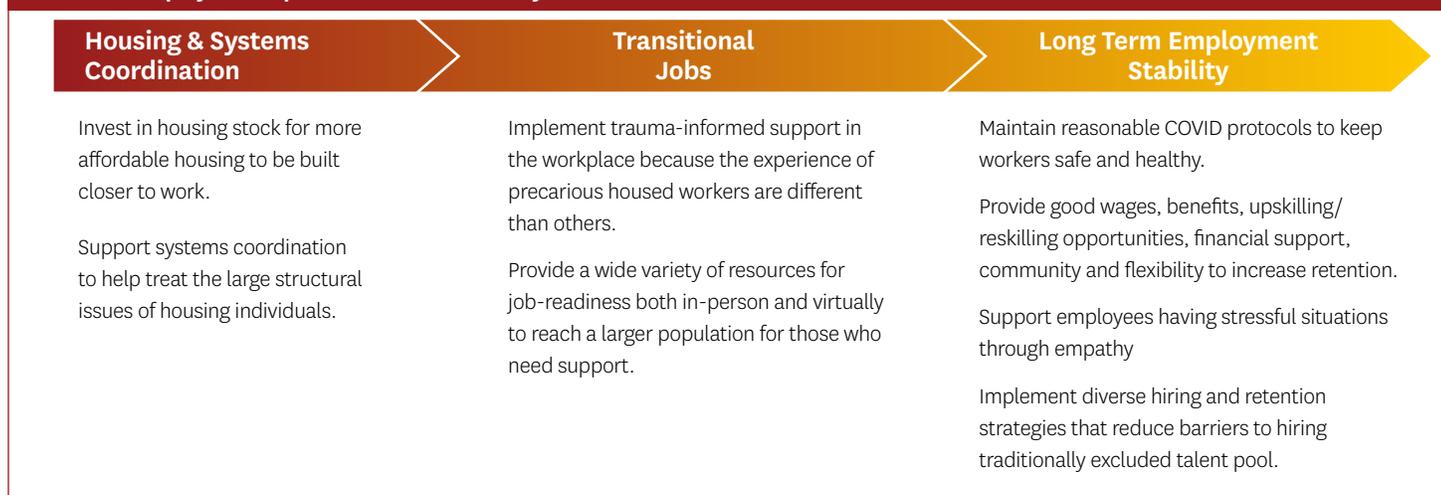
Based on the employer survey, Innovation Labs, follow-up interviews with participants, and existing literature, the project team has identified an “employment pipeline” intended to support employment opportunities for individuals experiencing housing precarity within Los Angeles. The employment pipeline, which refers to the stages of hiring, retention and long-term economic stability for job seekers, requires housing and systems coordination to ensure structural barriers are addressed,

transitional employment to provide individuals with resources and training, and long-term employment stability for workers to thrive.

As depicted in Figure 4, all of these elements reinforce the integrated nature of housing and economic stability, and are required for expanding employment opportunities for precariously housed individuals.

While there are several existing programs dedicated to supporting housing and employment in Los Angeles, strengthening the coordination between the regional workforce and housing systems is essential. Better coordination can facilitate access to these supports, maximize resources and further targeting investments for addressing housing and economic stability. Similarly, transitional jobs can serve as intermediary steps for precariously housed individuals to reenter the workforce. Transitional jobs prepare job seekers for employment by providing individual training and supportive services such as interim housing and case management. Finally, to ensure long term employment stability, employers can deploy best practices such as good wages, empathy, and other strategies to expand recruitment from this overlooked talent population. These strategies will help maintain a strong workforce where employees are supported and housing precarity is prevented. The section below expands on these elements and highlights learnings from partners in the Los Angeles region.

FIGURE 4. Employment Pipeline for the Precariously Housed



HOUSING & SYSTEMS COORDINATION CASE STUDY: *Enterprise Community Partners*

In Los Angeles, high costs associated with land and building regulations often exacerbate the challenges to build more affordable housing where such units are already rare. The lack of affordable housing near high quality jobs creates a domino effect of unaffordable transportation and rent burden. Enterprise Community Partners emphasizes how housing and rent remain one of “the primary stresses of employers, but this stressor can be removed if they can secure housing that is a reasonable proximity to work.” As rent increases in surrounding communities, many long-term residents fear the possibility of losing their homes as the cost of rent can exceed their incomes. Enterprise’s mission is to create thriving communities through housing, investments, grantmaking, and racial justice advocacy.

The organization seeks to address these challenges by investing in housing stock and systems coordination in order to ensure that precariously housed individuals are not only sheltered, but also considered within the ecosystem of larger structural issues. While the City of Los Angeles has introduced housing innovation challenges, tax incentives and inclusionary zoning to increase workforce housing and affordable units within the City, more efforts are still required to ensure that precariously housed job seekers and workers are connected through these complicated systems (Parlow, 2015, HPRI, 2020).

TRANSITIONAL EMPLOYMENT CASE STUDY: *Downtown Women’s Center*

Many job seekers experiencing housing insecurity may not have vocational skills, workforce training, social skills or independent living skills, which impact job preparedness, career mobility, and creates additional obstacles to employment (Munoz et al., 2005; Barber et al., 2005). To address the barriers, transitional

employment can offer some precariously housed workers the training and support needed to achieve housing and employment stability. Providers like The Downtown Women’s Center (DWC) provide services exclusively to women in Los Angeles who are experiencing homelessness, are formerly homeless, or are at risk of being homeless. Their work includes health and wellness services, case management, clinical development, workforce development, and housing navigation.

As part of their workforce development portfolio, DWC provides 300 hours of transitional subsidized employment, professional development, job readiness assessment, and access to their workforce center. Currently, DWC serves 25 to 35 participants annually through the Los Angeles Regional Initiative for Social Enterprise (LA:RISE), an initiative which connects employment social enterprises to workforce systems, employers, and supportive services. Despite challenges posed by the pandemic, the transitional employment program witnessed a completion success rate upwards of 75%. With these promising results, DWC hopes to increase their capacity to serve more participants through their workforce development, ultimately connecting more precariously housed individuals to long-term employment opportunities.

LONG TERM EMPLOYMENT STABILITY CASE STUDY: *FedEx Freight*

As a Forbes 500 company FedEx Freight leverages its strong reputation for good paying jobs and benefits to attract and retain talent, as well as develop long careers and pathways. When the demand for workers increased as a result of COVID-19, the company prepared pandemic safety regulations to ensure everyone felt safe. A recruiter from the company described how workers were adequately compensated with bonuses, high wages, and benefits. They also instilled a greater sense of flexibility for the workers. FedEx’s approach

consists of “work[ing] around your schedule” when compared to other companies. “We understand that life happens, and people need time off for whatever reason, and we’ll work around it,” the recruiter explained. The recruiter emphasized how Human Resources departments should practice empathy. “We’ve got to give them a chance. We don’t know their circumstances,” they stressed. “People have circumstances in their life that happen, and we’re not going to terminate you because you missed a week of work when you have a valid reason to be gone.”

Not only does FedEx seek workers through hiring fairs and colleges, but they sometimes work in collaboration with outside organizations to expand their talent pool. Through the Employment Development Department (EDD), FedEx Freight posts positions on their statewide portal for job seekers, including those who are precariously housed or justice-involved. The company has also developed a successful practice of supporting talent from diverse backgrounds by facilitating employee resources groups and a crisis helpline for workers undergoing emotional or stressful situations. These strategies have allowed the company to retain and attract talent, even as labor demand increased during the first year of the pandemic (Gryta, 2021).

CONCLUSION

At the time of this project, many of the employers faced difficulty hiring and retaining talent even before the pandemic’s onset. The pandemic presented new challenges and encouraged employers to re-think their practices, which allowed them to consider untapped talent pools such as the precariously housed workforce. Through stronger housing and systems coordination, transitional job opportunities, and employer best practices, an integrated employment pipeline for precariously housed workers can tackle the workforce needs of the Los Angeles region and become another tool for addressing homelessness. Through the ongoing partnership between the USC Price Center for Social Innovation and LeadersUp, the *Accelerating Employment Strategies for the Precariously Housed* project brings new understanding of how to engage employers in an iterative process to unveil challenges, identify solutions, and test best practices that increase employment opportunities for precariously housed individuals.

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