



MEMORANDUM

DATE: October 18, 2021
TO: Carter Hewgley, United Way of Greater Los Angeles
FROM: The Homelessness Policy Research Institute (HPRI)
RE: Homelessness Services Worker Retention

Background

Hiring and retaining workers in the homeless services sector is crucial to solving the homelessness crisis. However, this sector has high turnover rates and vacancies; the average job tenure is less than two years, and these vacancies lead to high workloads for the remaining workers which in turn causes burnout ([Rios, 2016](#)). Workers in the homelessness service sector are disproportionately Black and Latinx, and are more likely to have previously experienced homelessness. Due to a combination of low-wages and the secondary trauma they experience on the job, they are considered a vulnerable population that is more likely to fall into homelessness themselves ([SVPLA, 2021](#)). An infusion of funding into the sector and strategic decision-making could help to recruit more employees and incentivize current employees to remain.

The existing body of evidence suggests a baseline level of wages that is sufficient to retain employees. The research shows that sign-on bonuses can have meaningful impacts on employees. Additionally, various workforce strategies could support organizations and sectors that face employee retention issues ([Rios, 2016](#)).

Front-line Staff Priorities

One of the only studies to focus specifically on retention in the homelessness services sector in Los Angeles was a 2018 study by Vanessa Rios. Rios found six common themes in her interviews with front-line workers in the homelessness services sector.

- *Long-term Commitment:* workers who felt a personal connection to this work and their clients viewed themselves as being committed to the work for a long time.
- *Wounded Healer:* workers identified their own personal traumas, struggles, and their success in overcoming these experiences as primary drivers for remaining in the role.
- *Trust, communication, and leadership:* Workers were frustrated with the lack of clear communication, consistency and a lack of direction from management.
- *Participatory Development:* Workers desired to have more of a say in how the work is conducted. Often decisions are made without consulting outreach staff.



- *Capacity Building:* Workers desired more opportunities for training, mental health days, group or individual therapy, or skill-building.
- *Low Wages:* Workers expressed that the level of pay does not match the difficulty of their work.

While all of these themes could help retain workers, an infusion of funding into the sector could directly help with the capacity building and low-wage issues, and indirectly with participatory development.

Sign-On Bonuses and Retention Incentives Work

Since the COVID-19 pandemic, various organizations have offered bonuses and other financial incentives to encourage front-line homeless service workers to stay ([Moses, 2020](#)). Some of these have taken the form of general financial incentives or bonuses for consistent attendance at work.

Sign-on bonuses have seen an increased use throughout all sectors, especially as the pandemic has increased the number of job vacancies for low-wage jobs ([Hsu, 2021](#)). Job postings offering hiring bonuses on Indeed.com have doubled from July of 2020 to July of 2021 ([Konkel, 2021](#)). Though these bonuses are effective in terms of recruitment, Hsu notes that these bonuses do little in terms of employee welfare due to the nature of the one-time-payment. Employees would benefit more from an increase in hourly wage or yearly salary, rather than the enticing, but unstaining, one-time signing bonus.

Evidence from a related employment sector – education – indicates that retention bonuses for teachers can be highly effective. A program implemented in Tennessee showed that an additional \$5,000 offered to eligible teachers helped keep successful teachers at their schools. These retention strategies are relevant to homeless services employees because the eligible teachers all worked at lower-performing schools with high levels of stress and workload, similar to the homeless services sector. Specifically, receiving these retention bonuses mitigated unwanted turnover within the schools and increased the likelihood of teacher retention by 20 percent ([Springer, 2019](#)). Another critical example involves the nationwide-implemented Talent Transfer Initiative (TTI), which has been used to offer \$20,000 over a period of time to various teachers if they transferred to and stayed in specially-designated schools that had low average test scores. During the program's implementation, teacher retention rates improved; 93 percent of teachers stayed in their respective schools while the incentive payments were in effect.



Current Financial Offerings in L.A. County

A quick search on Glassdoor.com found that entry-level homelessness services jobs in L.A. County start in the low \$20 per hour range (The People Concern, Housing Case Manager: \$21/hr; Skid Row Housing Trust, Resident Services Coordinator: \$22/hr.; PATH, Case Manager: \$43,542/yr). While these wages are higher than many entry-level positions (Amazon Warehouse Team Member: \$17.85/Hr; Chipotle Crew Member \$15.98/Hr), they are not high enough to comfortably afford housing in Los Angeles. For a family to afford a two-bedroom apartment in Los Angeles and not be considered “rent-burdened” (paying over 30% of household income on rent), the family would need to earn at least \$41.96/Hr ([SCANPH, 2021](#)). An infusion of money into the sector could allow organizations to pay more competitive salaries, which could help stabilize this vulnerable population.

Though homeless services jobs pay higher than other “entry-level positions,” a 2010 study found that the median income for these jobs tended to be lower than all other “social services” positions ([Mullen and Leginski, 2010](#)). The same study found that in addition to low wages, “compassion fatigue” from continuously being exposed to secondary trauma can lead to burnout and high levels of turnover.

Non-Financial Strategies:

Peer-Reviewed Hires:

One strategy that homeless services providers could use to recruit and retain high-talent employees is including current employees in the hiring process ([BasuMallick, 2019](#)). Successful employees are likely to know what traits and characteristics are essential for workers to succeed, and therefore would be invaluable in helping to hire new employees. Additionally, this process creates buy-in into the organization by including front-line staff in the decision-making process. Relatedly, organizations could offer recruitment incentives for employees who recommend their peers for open positions.

Mental Health Supports:

A 2018 study found that front-line homeless service workers experience higher levels of depression and stress than the general public ([Lemieux-Cumberlege & Taylor, 2018](#)). Outreach workers expressed that providing employees with the same access to group and individual therapy could help support and retain staff ([Rios, 2016](#)). In addition to mental health supports, monitoring caseloads could help employees avoid over-work and burnout, helping to limit work-related stress and improve efficiency, which could reduce turnover ([DeBeer et al., 2016](#)).



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