



## City Feature: San Francisco, CA

### Using data to improve employment outcomes

#### The Opportunity

The City and County of San Francisco has long been on the vanguard of using data to inform better policy decisions. Mayor Ed Lee has highlighted the need to use data every day to ensure he's guiding the City in the right direction, acting on residents' concerns, and being a good steward of the public's tax dollars. However, the shift to incorporating data seamlessly into decision-making does not happen overnight. Mayor Lee's administration has worked to compile and connect many of the previously disparate data sources across the City. As part of this effort, Mayor Lee asked What Works Cities (WWC) to help San Francisco use the tools of results-driven contracting to ensure that the City's workforce development contracts meet their goals and deliver better results for residents.

#### Our Work Together

Experts at WWC's partner the [Government Performance Lab](#) at the Harvard Kennedy School worked with the San Francisco team to (1) improve contracts by better aligning funding and contracting across three departments that invest in workforce development; (2) incorporate a performance-based payment structure in a large procurement undertaken by the [Office of Economic and Workforce Development](#) (OEWD); and (3) advise the [Human Services Agency](#) (HSA) on using performance incentives to improve an existing contract that was problematic for providers.

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**What Works Cities and San Francisco worked together to use the tools of results-driven contracting to ensure that the City's workforce development contracts meet their goals and deliver better results for residents**

## Summary of Key Accomplishments

This work in results-driven contracting lays the groundwork for the City to incorporate data and evidence in more aspects of decision-making. WWC and the City worked together to accomplish the following:

| <b>1</b> <b>Align spending on work-force services across multiple departments</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>2</b> <b>Incorporate performance incentives into workforce contracts to drive better outcomes for vulnerable individuals</b>                                                                                                                                                                                                                                                                                                                                                                                  | <b>3</b> <b>Improve performance of the <u>Interrupt, Predict, Organize</u> (IPO) youth violence prevention program</b>                                                                                                                                                                                                                                                                                                                                             |
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| <ul style="list-style-type: none"> <li>By analyzing all workforce contracts in three San Francisco departments—OEWD; HSA; and the <a href="#">Department of Children, Youth, &amp; Their Families</a>—the City identified overlaps and gaps in goals, target populations, service providers, and service types in contracts held by each.</li> <li>By adopting recommendations for improving system alignment, San Francisco is prepared to achieve greater outcomes, including tailoring procurements to leverage funding and reduce duplication, coordinating outreach, and establishing a shared client tracking system for workforce services. Already, the City has succeeded in serving more youth by coordinating services across agencies.</li> </ul> | <ul style="list-style-type: none"> <li>To place individuals facing high barriers to employment in living wage jobs, OEWD will use its \$15 million request for proposals to encourage contractors to achieve this outcome.</li> <li>OEWD will also pilot performance-based contracts with local one-stop providers (called Neighborhood Access Points and Comprehensive Access Points), shifting up to 10 percent of the total budget of new contracts to be contingent on meeting specific outcomes.</li> </ul> | <ul style="list-style-type: none"> <li>By analyzing data on past performance of IPO participants and conducting site visits with providers, San Francisco has a deeper understanding of the challenges of the existing performance-based contract structure.</li> <li>By using this analysis to redesign the performance-based payment structure, the IPO team and the Mayor's Office can mitigate risks that providers were unable to manage otherwise</li> </ul> |

## What's Next

San Francisco should continue building on its progress by monitoring providers for the quality of services and outcomes of underserved populations, developing a shared triaging system to ensure that the right people are matched to the right services, and incentivizing service providers to provide more sustained support to individuals who are disconnected from the labor market. These steps will help the City continue its climb toward being a leader in the use of data-driven governance.