

LISA ABRAHAM, SARAH B. HUNTER, SAMANTHA MATTHEWS, ALEX SIZEMORE

# Living Wages in Los Angeles County's Homeless Response Sector

**R**ising living costs are a top concern across the country. These concerns are particularly important for organizations that seek to support vulnerable populations, both for the populations they serve and for the people who work for these organizations. In this report, we consider how much income individuals working in the homeless response sector in Los Angeles County need to support themselves. We begin by examining the characteristics of the nonprofit organizations operating in the sector and the challenges homeless response sector workers face. Next, we examine the range of publicly available estimates of a living wage in Los Angeles County, defined as the minimum income needed to meet basic needs. We then compare this with the average wages of workers in this sector using job posting data, demonstrating that many workers often do not earn a living wage. To better understand the current system and potential solutions, we

interviewed philanthropic and government funders and organizational leaders and managers. We conclude with potential pathways for improvement in the sector.

## KEY FINDINGS

- Using hand-collected data on advertised wages listed in job postings in August 2022 for frontline and management occupations in the homeless response sector within Los Angeles County, we found that workers at nonprofit organizations, particularly frontline staff, often do not earn a living wage by either metric we use.
- We document the challenges associated with not paying workers a living wage, specifically the financial, emotional, and health burden it puts on workers who already face difficult working conditions. We highlight the potential impacts of higher pay for these workers—improved productivity, morale, and retention—all of which could improve client care and continuity of care.
- We conclude with several recommendations for funders, organization leaders, and managers within Los Angeles County's homelessness response sector.

## The Homeless Response Sector in Los Angeles County

### Background on the Sector

Los Angeles County's homeless response sector is made up of numerous government agencies and other service providers, primarily nonprofit

### Abbreviations

EPI	Economic Policy Institute
FMR	Fair Market Rate
IRS	Internal Revenue Service
HUD	U.S. Department of Housing and Urban Development
LAHSA	Los Angeles Homeless Services Authority
MIT	Massachusetts Institute of Technology
SPA	Service Planning Area

organizations. The approval of Measure H in 2017—a sales tax projected to raise \$3.5 billion between 2017 and 2027, with recent yearly budgets between \$400 million and \$500 million—transformed the sector, with such agencies as the Los Angeles Homeless Services Authority (LAHSA) and service providers hiring significantly more staff (Davenport, 2021; Fiore et al., 2019). Measure H funds, as well as other federal, state, county, and city funds for homeless services, are primarily routed through government agencies (e.g., LAHSA, Department of Health Services, Department of Mental Health, Department of Public Social Services) that, in turn, contract with service providers to deliver essential services to people currently experiencing or at risk of experiencing homelessness.

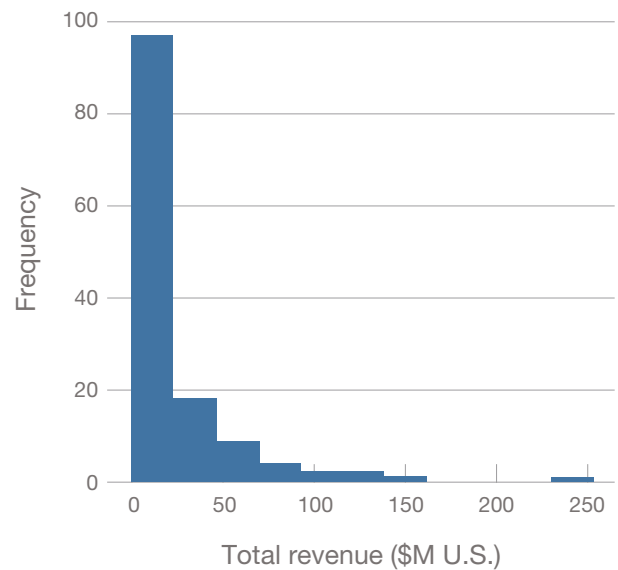
More than 200 nonprofit organizations operate in the homeless response sector in Los Angeles County. These nonprofit organizations are diverse: Many are exclusively focused on homeless services, while others have cross-cutting missions, including those that provide child and family services, veterans’ services, health services (e.g., mental health, treatment facilities), faith-based services, workforce development services, and community development services. Many organizations also own or operate shelters, transitional or interim housing, and/or permanent supportive housing. Additionally, 15 of these organizations serve as Coordinated Entry System lead service providers (representing the eight Service Planning Areas [SPAs] of the county); the Coordinated Entry System leads help ensure that homeless services are efficiently and equitably distributed to people experiencing a housing crisis (LAHSA, 2019).

## Findings from Homeless Response Sector Organization Tax Data

To better understand the wages in the homeless response sector, we started by collecting information about nonprofit organizations in the sector from publicly available tax data (see Appendix A). From the approximately 200 organizations on our list of nonprofits in the sector, we scraped publicly available tax data for roughly 70 percent of our sample (136 organizations of the 200). These data come from Internal Revenue Service (IRS) Form 990, which all nonprofit organizations are required to fill out as part of their taxes. The organizations in our final sample of 136 have headquarters predominantly in Los Angeles County, although a few of these organizations serve Los Angeles County but have headquarters elsewhere. A large number of organizations serve more than one SPA (see Appendix A), and approximately 65 percent of these organizations received Measure H funding.

Our analysis of these tax data revealed several striking patterns. First, the organizations in our sample brought in a significant amount in revenue in 2019 and 2020 (corresponding to 2020 and 2021 tax returns). Figure 1 shows the distribution of rev-

FIGURE 1  
Total Revenue per Organization



SOURCE: IRS Form 990 tax data accessed via Amazon Web Services, undated.

NOTE: This figure represents data from 134 organizations.

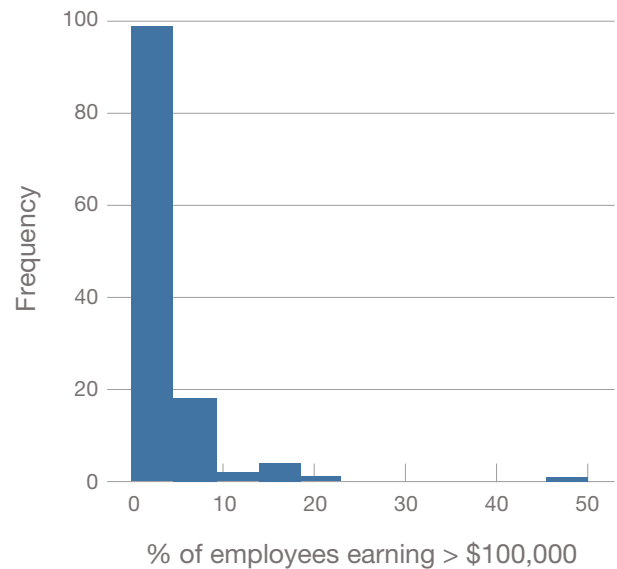
enue for this sample, ranging from approximately \$285,000 to more than \$250 million (in nominal terms). The median was \$10 million, and the mean was \$23 million. Both the median and mean revenue amounts were higher if the organization was Measure H funded (median of \$15 million, mean of \$29 million) and lower if non-Measure H funded (median of \$4 million, mean of \$13 million).

Second, reportable compensation represents a fraction of organizational revenue (approximately 4.5 percent, on average), which indicates that a significant amount of expenses are going to purposes other than worker pay, for example, housing costs for organizations that provide shelter or housing services (although we were not able to explore all expenditures, given that publicly available tax data does not contain detailed expense line items). Indeed, the tax data detail the fraction of employees at each organization who are paid more than \$100,000 a year. As shown in Figure 2, the vast majority of organizations do not pay more than 10 percent of their employees more than \$100,000 a year, and the average share of employees at an organization paid more than \$100,000 a year is approximately 3.5 percent (the median is approximately 2 percent). This highlights that most workers in these organizations are not receiving the upper end of the wage distribution. The tax data do not provide information on the full distribution of earnings (for example, average earnings below \$100,000), which motivated our wage data-collection effort.

## Background on Homeless Response Sector Workers

Homeless response sector workers engage in a broad variety of occupations. This report focuses on the frontline workers (those who work directly with clients, such as social workers, case managers, outreach workers, shelter resident advisors, and housing navigators) and management workers (program managers, program directors, and executive leadership). We focus on these occupations because they represent the core functions of these organizations. While administrative occupations, such as human resources assistants and accountants, and health care professionals,

FIGURE 2  
Share of Employees at an Organization with Compensation Above \$100,000



SOURCE: IRS Form 990 tax data accessed via Amazon Web Services, undated.

NOTE: This figure represents data from 125 organizations.

such as mental health specialists, substance use counselors, and nurse practitioners, are important, we do not focus on them because these roles are found in a broader range of employers outside the sector, who must pay a competitive wage to attract workers.

Although the official size of the L.A. homeless response workforce has not been reported, a recent report on the state of the homeless response workforce in Los Angeles County from the professional services firm KPMG estimates that the sector includes around 8,000 employees (KPMG, 2022). In terms of vacancies, there is evidence of a significant number of openings. One study reported that, as of 2019, there were 1,900 vacancies among service providers in the sector, indicating challenges with hiring and capacity with the influx of Measure H funding (Fiore et al., 2019). Similarly, KPMG’s report estimated that around 1,349 positions were unfilled in 2019 and specifically found a significant need for back-office administrative professionals (KPMG, 2022).

Additionally, there is a lack of comprehensive information on the demographic profile of homeless response sector workers. A recent evaluation

of Los Angeles County’s Homeless Initiative found that one-half of outreach workers were reported to have lived experience with homelessness (Resource Development Associates, 2019), and KPMG’s study found that 19 percent of employees across the sector had such experience (KPMG, 2022). The KPMG report also provided some detail on gender, finding that 63 percent of the sector workforce identifies as female (KPMG, 2022; see also Rios, 2018, for anecdotal evidence). With regard to race/ethnicity, LAHSA reported that its own outreach staff reflects Los Angeles County’s homeless population—approximately 49 percent Latinx and 35 percent Black (Yee, 2021). Importantly, the racial and ethnic diversity of frontline homeless services workers in Los Angeles and their lived experiences with homelessness are not always present across leadership roles in the sector. A 2021 equity action plan, which LAHSA contracted with National Innovation Service’s Center for Housing Justice to produce, highlighted that only 12 percent of director and executive positions were held by Black employees, despite Black employees representing 25 percent of programmatic staff (LAHSA and National Innovation Service, 2021).

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## Challenges Homeless Response Sector Workers Face

Frontline workers in the sector face many more challenges than other service workers face, such as restaurant or retail workers. While other service sector workers face burnout and turnover, homeless response sector workers experience these acutely because of safety issues and the loss or death of clients with whom they work closely (Olivet et al., 2010; Waegemakers Schiff and Lane, 2019). For example, KPMG’s homeless sector workforce report conducted a survey of approximately 200 homeless response sector workers in Los Angeles County and found that only 50 percent believe the sector keeps them safe from hazardous situations and working conditions, which was particularly expressed by frontline workers (KPMG, 2022). Many staff also encounter a high degree of secondary trauma, defined as emotional distress from being exposed to individuals who are currently going through or who have experienced trauma (Lemieux-Cumberlege and Taylor, 2019; Newell and MacNeil, 2010). These challenges have all been exacerbated by the coronavirus disease 2019 pandemic (Tobias, 2022).

While no recent comprehensive study on worker tenure in the sector currently exists, anecdotal evidence suggests that these working conditions are contributing factors to high turnover (see Rios, 2018, for anecdotal evidence on tenure). KPMG’s report found that 53 percent of employees had less than two years of tenure at their current employer, in part because of worker burnout. These respondents also cited a lack of upward mobility and limited training opportunities as factors that make cultivating a career difficult (KPMG, 2022).

## Costs of Not Paying a Living Wage to Homeless Response Workers

From the worker perspective, not earning enough has material consequences, including stress, health concerns, and housing insecurity (Pagaduan, 2022; Parvini, 2022; Ward, 2022). These challenges make it hard for a worker to plan for a career when they themselves are potentially living paycheck to paycheck and struggling to make ends meet.

Additionally, beyond meeting basic living needs, defined as the minimum amount needed to live, paying homeless response sector workers higher wages could improve the quality of their work by boosting morale, reducing stress, and reducing turnover in the sector. Worker turnover is a particularly acute issue that affects their clients in turn. Anecdotal evidence suggests that some tenants receiving assistance have cycled through as many as six or seven case managers in Los Angeles County. Black tenants, in particular, are more likely to be back in a shelter or on the streets, in large part because of high case manager turnover (Tobias, 2022). Paying workers more could directly improve the current challenges with continuity of care (Ward, 2022) and could also reduce the cost of replacing staff for employers. The cost of replacing valuable workers can be particularly high for nonprofit organizations with tight resources and may be worse for the homeless response sector, where workers must possess a specialized skill set, given their client population. One study found that the cost of general worker turnover in the private sector is estimated at 50 to 200 percent of a worker's annual salary (Selden and Sowa, 2015).

Evidence from comparable sectors reinforces the positive spillover effects of higher pay, including reduced employee turnover, improved worker productivity, and better client outcomes (Coviello, Deserranno, and Persico, 2022; Ruffini, 2022). One of these studies examined the impacts of higher front-line worker pay in the nursing home sector and found that higher wages reduced the rate of adverse, preventable health conditions among residents, lowering mortality (Ruffini, 2022). This suggests that higher wages have direct benefits for the population being served, which could be applicable to the homeless response sector.

Given that homeless sector response workers face extreme working conditions (e.g., concerns about safety), which can exact a physical, emotional, and psychological toll, finding ways to improve productivity, morale, and retention of workers could go a long way toward building a trained, competent staff that can better meet the needs of the population it serves (Levesque, 2021).

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## **Are Homeless Response Workers Paid a Living Wage in Los Angeles County?**

### **What Constitutes a Living Wage in Los Angeles County?**

In this report, we focus on two approaches to defining a living wage. If organizations are interested in paying the bare minimum—not including savings, retirement, and unplanned medical expenses and not fully accounting for the current cost of expenses—living wage calculators provide an estimate of total household income that must be earned to cover the costs of food, housing, and transportation. Using this approach, Table 1 provides estimates of total household income (in 2022 dollars) that must be earned to live in Los Angeles County according to three publicly available living wage calculators: Massachusetts Institute of Technology's (MIT) Living Wage calculator, the Economic Policy Institute's (EPI's) Family Budget Calculator, and the Self-Sufficiency Standard

TABLE 1

## Los Angeles County Living Wage Calculations by Calculator and Family Size

	Number of Children	MIT (\$)	EPI (\$)	Self-Sufficiency Standard (\$)	Average of Calculators (\$)
Total household income assuming one adult with one adult earner	0	45,536	55,272	41,271	47,360
	1	92,999	88,883	80,470	87,451
	2	115,070	104,402	104,106	107,859
	3	153,842	134,704	146,494	145,013
	4		141,636	148,128	— <sup>a</sup>
Total household income assuming two adults with one adult earner <sup>b</sup>	0	70,416			70,416
	1	86,262			86,262
	2	98,673			98,673
	3	112,502			112,502
	4				
Total household income assuming two adults with two adult earners	0	70,416	71,826	56,111	66,118
	1	100,843	101,165	90,622	97,543
	2	127,835	115,569	110,485	117,963
	3	156,247	142,328	149,268	149,281
	4		149,485	151,887	— <sup>a</sup>

SOURCES: Center for Women's Welfare, undated-b; EPI, undated; MIT, undated; Glasmeier, 2022; National Educational Association, 2020. Based on data collected in fall 2022.

NOTE: All values are in 2022 dollars. For child ages, the MIT calculator assumes that one child is 4 years old; two children are 4 and 9 years old; and three children are 4, 9 and 15 years old. The EPI calculator assumes that one child is 4 years old; two children are 4 and 8 years old; three children are 4, 8 and 12 years old; and four children are 4, 8, 12, and 16 years old. The Self-Sufficiency Standard calculator lets you choose the age of the child in the calculations and defines *infant* as 0–2 years old, *preschool* as 3–5 years old, *school aged* as 6–12 years old, and *teenager* as 13+ years old. We conformed our chosen ages in the standard's calculator with the MIT and EPI calculators for estimates with one and two children and with EPI for three and four children. Blank cells indicate missing data.

<sup>a</sup> No average estimate is provided here because the average set reflects two estimates rather than three estimates and is thus not internally consistent across rows.

<sup>b</sup> Note that, in two-earner households when one adult is not working, the calculators assume that the nonworking parent is taking care of the child, so there are no childcare costs. This results in slightly lower values for a two-adult, single-earner household relative to a one-adult, one-earner household because the nonworking adult is assumed to be taking care of the child.

developed by the Center for Women's Welfare at the University of Washington (MIT, undated; EPI, undated; Center for Women's Welfare, undated-a; Center for Women's Welfare, undated-b). Note that we inflated the EPI and Self-Sufficiency Standard's estimates to 2022 dollars using the Consumer Price Index for All Urban Consumers.

MIT's Living Wage Calculator estimates the cost of living in the U.S. based on geographic location and family size (MIT, undated). The calculator includes eight different types of household expenditures: food, housing, transit, childcare, health, broadband, civic engagement, and other necessities, and accounts for

taxes associated with each type of expense (Nadeau and Moser, 2022). Similar to the MIT calculator, EPI calculates costs using major categories of expenses and taxes (e.g., housing, food, childcare, transit, healthcare, other necessities) but does not include broadband and internet costs in the calculations. The Self-Sufficiency Standard has a similar approach but allows users to specify whether children are infants, preschoolers, school-aged, or teenagers.

We averaged these estimates to calculate the average living wage in 2022 (rightmost column of Table 1) in Los Angeles County. At the lower end, single adults with no children must have earned

approximately \$47,000 annually in 2022 to receive a living wage. At the upper end, for two-adult households in which both adults are employed and with two children, household income must be approximately \$118,000 annually.

Importantly, as mentioned, all these estimates from living wage calculators represent the lower bound for earnings because they do not factor in many important expenses, such as student loan payments, savings, retirement, or unexpected medical bills (Nadeau and Moser, 2022). They also do not factor in other costs, such as travel and eating out, and do not ensure that the individual is not cost-burdened, i.e., spending more than 30 percent of household income on housing, including utilities. For example, using the MIT calculator, a single adult with no children faces \$17,775 annually in housing costs, translating into 39 percent of income, which is above the 30 percent amount defined as non-cost-burdened.

Additionally, for each of the calculators, many of the cost components used to estimate the living wage are based on dated information because of the lagged nature of data; certain data are only available two or three years later. Thus, these could be underestimates, given that expenses may have changed (e.g., health care costs based on 2020 data could be an underestimate for current healthcare costs). This is likely a particular concern in periods of high inflation.

Finally, the calculators provide guidance regarding basic minimum earnings based on family size, but the guidance is not intended for making pay decisions based on family size. This is in keeping with all other sectors, which pay based on the value of the work as opposed to family composition.

Given these limitations, another approach for determining how much to pay workers is based on ensuring that workers are themselves not cost-burdened—i.e., facing more than 30 percent of annual income in housing costs. This approach places housing affordability at the center of the calculation, which may be particularly appropriate in the homeless response sector, where addressing housing needs is central to the mission. Moreover, this non-cost-burdened approach relates to ensuring that individuals have the resources to make valuable

later-stage investments: Unaffordable housing leads to underinvestment in retirement savings and education; underinvestment in healthy living conditions that affect long-term health and well-being; and cutting back on essentials, such as high-quality food and childcare (Kimberlin, 2019). Recent estimates from the Census Bureau suggest that this is a challenge for a significant share of households: In 2021, approximately 47 percent of households in Los Angeles County paid 30 percent or more of their household income on housing costs (Federal Reserve Bank of St. Louis, 2021).

Table 2 presents the results from this approach. Calculating the annual earnings for not being cost-burdened begins with estimating housing costs. The U.S. Department of Housing and Urban Development (HUD) calculates Fair Market Rent (FMR) annually based on an analysis of rental data by unit size and location (HUD, 2023). For a one-bedroom apartment in Los Angeles County, HUD’s FMR, including utilities, is \$1,604 per month for 2022, which translates into an individual earning an annual income of approximately \$64,000 to ensure that they are not cost-burdened. For a two-bedroom unit, HUD’s FMR, including utilities, is \$2,044 for 2022, which translates into an individual earning an annual income of approximately \$82,000 using the non-cost-burdened approach. The California Housing Partnership, which uses estimates based on the average monthly rent pulled from a set of publicly available rental listings (some of which include utilities and some of which do not), provides a slightly higher figure for a two-bedroom unit, \$2,349; this would require an individual to earn an annual income of \$94,000 to avoid being cost-burdened

TABLE 2  
Los Angeles County Living Wage  
Calculations to Avoid Housing Burdened  
Status

Number of Bedrooms	FMR HUD: Annual Income (\$) Implied by HUD FMR	FMR CA Housing Partnership: Implied Annual Income (\$) Implied by FMR CA Housing Partnership
1	64,160	—
2	81,760	93,960
3	107,720	—

(California Housing Partnership, 2022). For a three-bedroom unit, HUD’s FMR, including utilities, is \$2,693 for 2022, which translates into an individual earning an annual income of approximately \$108,000 using the non-cost-burdened approach (HUD, 2023).

Importantly, all these estimates could be even higher if the physical, emotional, and mental costs of working in the homeless response sector, as well as safety concerns for certain occupational positions, particularly frontline workers, were taken into account.

## Sample of Homeless Response Sector Worker Wages

To understand whether homeless response sector workers in Los Angeles County are earning a living wage, we hand-collected data from three job posting websites—Indeed, Glassdoor, and Government Jobs—between August 10 and August 26, 2022.<sup>1</sup> Indeed and Glassdoor were used to collect wage data from jobs posted by nonprofit organizations, and GovernmentJobs.com was used to collect wage data from jobs posted by city and county government agencies. Government agencies were included as a comparison with nonprofit organizations because they are a viable alternative to nonprofit work within the homeless response sector in Los Angeles County and, in general, are known to offer more benefits than jobs in the nonprofit sector, such as retirement or pensions, health benefits, and paid time off (Lee and Wilkins, 2011). For example, nearly all government agencies in California offer retirement plans, but only 58 percent of nonprofits do (California Association of Nonprofits, 2019).

We collected data from job postings as opposed to wage data from websites designed merely to share information about wages, such as Transparent California (2023), for two reasons:

1. Advertised wages on job postings represent more of a forward-looking metric, as opposed to wages of individuals who may or may not have received appropriate pay increases.

2. Advertised wages on job postings are more representative of the large number of organizations in the sector, as opposed to publicly available wage datasets, which collects data on the pay of government officials, so are not as representative of workers in nonprofit organizations.

Similarly, we did not collect data from private compensation surveys conducted by individual nonprofit organizations in the sector because of

1. the difficulty of obtaining these reports, given that they were privately conducted
2. the fact that these reports are likely to have dated wage measures (because they were conducted in the past)
3. the fact that the reports may have been conducted for a particular purpose for the particular nonprofit, so there might be less transparency about the methodology
4. the fact that some of the data used in these private compensation surveys are likely to reflect Glassdoor and Indeed job postings.

However, advertised wages are not a perfect measure. For example, they may be biased upward if, to attract applicants, employers advertise higher wages than they are actually able to pay or may be biased downward if employers want to leave some room for wage negotiation.

As noted, we focused our data collection efforts on frontline staff and management positions. Frontline staff members, including outreach workers and case managers, are likely to receive lower wages and experience higher rates of turnover than other positions in the sector. Policymakers and the media in Los Angeles, New York, and nationwide have therefore discussed frontline worker burnout and turnover (Axel-Lute, 2022; Pagaduan, 2022; Bellman and Broslawsky, 2022; Tobias, 2022). We also included management and leadership positions because these offer potential career trajectories for those in frontline positions and represent a comparison group to frontline workers within the sector. While there are many other occupations that we did not include in our data collection efforts, including both frontline and management positions provides perspective regarding the range of wages in the sector.

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<sup>1</sup> Indeed, undated; Glassdoor undated; Government Jobs, undated. Note that this data collection was performed before California mandated that job postings include wage range information.



## Data-Collection Methodology

We executed our data collection by first choosing a set of search terms for frontline and management positions. From the literature and discussions with workers in the sector, we used the following six search terms for the frontline category: “homeless case manager,” “homeless social worker,” “homeless outreach worker,” “homeless navigator,” “homeless mental health,” and “homeless resident advisor.” For the management positions, we used the following four search terms: “homeless director,” “homeless manager,” “homeless officer,” and “homeless supervisor.” These search terms covered a variety of skills and qualifications and were designed to capture the range of pay within each of these broad categories.

Then, for each website (Glassdoor, Indeed, and GovernmentJobs), we typed in each search term (e.g., “homeless case manager”) after setting the search criteria location to Los Angeles County (see Appendix A). We did this for the first five pages of Indeed (i.e., 75 posts) and Glassdoor (i.e., 150 posts) and the first ten pages of GovernmentJobs.com (i.e., 100 posts). We then recorded the actual or estimated wage or wage range for each job posting that had the selected search term (*estimated wages* refers to estimates from Glassdoor and Indeed that they based on their own internal algorithms).<sup>2</sup> For some job postings, the posted wage was a single number; others provided a wage range. We examined the results both when we used the lower bound of a job posting’s wage range and when we averaged the range. Job postings largely came from organizations with headquarters in California (only 13 had headquarters outside California).

## Job Advertisement Wage Estimates for Frontline and Management Workers

We next present the analysis of the offered wage data collection detailed earlier. We present the average annual salary in job advertisements for each of the detailed search terms (e.g., homeless outreach worker,

homeless manager). All data are in annual terms (2022 dollars); for positions that provided an hourly salary, we converted that to an annual salary assuming 2,080 hours worked per year.

Table 3 shows the data from Glassdoor and Indeed, representing the sample of job postings from nonprofit organizations in the homeless response sector. The average wage for each job is shown. Column 1 shows the lower bound of mean wages for job positions; this represents the mean wage across all job postings for the given position, using the low end of the wage range whenever a range was provided in a job posting (for postings with a single wage, that number was included in the calculation).

Frontline workers—case manager, social worker, outreach worker, resident advisor, navigator, and mental health worker—have a lower bound of average annual earnings ranging from approximately \$42,000 to \$57,000, depending on the position (column 1). For management workers—supervisors, managers, directors, and officers—the lower bound of average annual earnings was approximately \$64,000 to \$121,000, depending on the position. These estimates are similar when we remove the estimated wage ranges from Glassdoor and Indeed, shown in column 2. Columns 3 and 4 show the number of organizations underlying each occupational category, ranging from approximately ten organizations for the more-senior management positions to more than 50 organizations for the frontline worker positions.

An alternative metric uses the average of a job posting’s wage range where ranges are provided (as opposed to the low end of the range). When we use this metric, annual earnings are slightly higher: approximately \$44,000 to \$60,000 for frontline workers and \$68,000 to \$133,000 for management workers (column 3). These estimates are similar when we remove the “estimated” wages from Glassdoor and Indeed (column 4).

Next, we performed the same analysis for the government agency job postings from GovernmentJobs.com. As shown in Table 4, the annual salary estimates are, in general, higher for government than nonprofit positions (the exception is the low-end mean earnings for the resident advisor position). For example, comparing the low-end annual earnings, case managers at a government agency make \$56,000,

<sup>2</sup> In the event that the estimated wage differed by website—for example, if Indeed and Glassdoor estimated different wages for a specific organization’s job posting—we included both estimates.

TABLE 3  
Wage Estimates of Nonprofit Organizations

	Low-End Mean Wage (\$)		Mean Wage (\$)		Count	
	Incl. Est. (1)	No Est. (2)	Incl. Est. (3)	No Est. (4)	Incl. Est. (5)	No Est. (6)
Case manager	45,247	46,803	49,434	49,165	51	38
Social worker	57,372	61,843	60,483	63,763	15	11
Outreach worker	43,085	42,753	48,562	46,034	15	7
Resident advisor	42,235	44,062	44,021	44,582	10	8
Navigator	43,186	43,776	46,192	45,592	27	21
Mental health worker	48,643	50,583	51,839	51,977	15	9
Supervisor	64,706	66,368	68,202	68,282	13	10
Manager	65,986	67,329	69,739	69,927	22	20
Director	94,119	99,432	102,901	106,850	21	17
Officer	121,261	139,181	133,567	147,256	8	6

SOURCES: Based on the average wages by occupation collected from the job postings on Glassdoor and Indeed in August 2022.

NOTE: "Low-End Mean Wage" reflects the average wage across organizations when we used the low end of a job posting's wage range; "Mean Wage" reflects the average wage across organizations when we used the mean of a job posting's wage range. "Incl. Est" includes wages that we estimated from Glassdoor and Indeed, while "No Est." removes these observations. "Count" reflects the number of organizations included in the estimate.

TABLE 4  
Wage Estimates of Government Agencies

	Low-End Mean Wage (\$)	Mean Wage (\$)	Count
Case manager	56,427	67,590	2
Social worker	—	—	0
Outreach worker	56,514	62,520	2
Resident advisor	35,032	50,664	1
Navigator	—	—	0
Mental health worker	60,456	71,326	2
Supervisor	68,744	81,644	2
Manager	93,776	113,399	4
Director	208,322	227,849	2
Officer	119,925	151,572	2

SOURCE: Based on the average wages by occupation collected from the job postings on GovernmentJobs.com in August 2022.

NOTE: "Low-End Mean Wage" reflects the average wage across organizations when we used the low end of a job posting's wage range; "Mean Wage" reflects the average wage across organizations when we used the mean of a job posting's wage range. "Count" reflects the number of organizations included in the estimate.

compared with \$45,000 at a nonprofit organization. Similarly, managers make \$94,000 at a government agency, compared with \$66,000 at a nonprofit organization. However, it is important to note that there were significantly fewer job postings for government agencies than for the nonprofit organizations in our data collection because all occupation estimates came from fewer than four agencies. Despite this, the often higher salaries that government agencies offer align with the findings from the interviews we conducted.

### Workers Not Receiving a Living Wage

As the preceding analysis shows, frontline workers and even those in certain management positions in the sector often do not earn a living wage. Using the living wage estimate from the low-end of the non-cost-burdened approach—\$64,000—frontline workers earn far below the necessary annual income level. Similarly, using the living wage calculator approach, many frontline workers would fall below the necessary income level for several family compositions (e.g., resident advisors, who earn approximately \$42,000). These gaps are even more exacerbated if one uses the high end of the non-cost-burdened living wage estimate (e.g., \$82,000 to \$94,000, assuming a two-bedroom unit, or \$108,000, assuming a three-bedroom unit, using the non-cost-burdened approach).

Managers are also likely to face similar challenges: For example, a manager earning \$66,000 at a nonprofit organization would not meet the requisite level using the non-cost-burdened approach if they lived in a two-bedroom or three-bedroom unit and would barely meet the requisite level if they lived in a one-bedroom unit. Managers would also not meet the living wage level using the living wage calculator approach for nearly all single-earner family compositions.

## Why Are Homeless Response Workers in Los Angeles County Not Paid a Living Wage? Evidence from Qualitative Data

### Sample for Qualitative Interviews: Funders, Leaders, and Program Managers

To better understand the challenges the sector faces, we collected data from three different groups: homeless response sector funders, including both government and philanthropic funding leaders; homeless response sector nonprofit organization leaders; and homeless response sector nonprofit organization program managers. We chose not to survey frontline workers because the focus for the qualitative interviews was understanding the wage-setting process and how leadership in the sector perceives and influences decisions around pay.

Table 5 describes our interview sources. Appendix B provides the methodology we used to identify key themes from the interviews, and Appendix C offers illustrative quotes from the interviews and groups.

TABLE 5  
Qualitative Data Collection Sample Description

Group	Interviews	Focus Groups
Funders	Five individual interviews with representatives from different government departments that provided and/or contracted for services (October 2022–January 2023)	One focus group with four representatives from philanthropy (early December 2022)
Leaders	Eight individual interviews (October–December 2022)	One focus group with seven leaders (November 2022)
Managers <sup>a</sup>	Seven individual interviews (November–December 2022)	N/A

<sup>a</sup> Five of the seven participants reported that their job title was “program manager.” In one case, a respondent described their job as a “regional program supervisor,” and in another case, the participant reported that their job was “Director of Client Services.”

## Key Themes

Next, we present the key themes identified in the interview data. We present respondents' views of the sector, the findings regarding wage setting and barriers to increasing wages, and potential solutions to increasing wages.

### Unsustainability of the Status Quo

Challenges about the sector emerged through our discussion of the wage-setting process. **Managers** emphasized that they worked in an understaffed environment, without appropriate resources. Given the multifaceted nature of their work—such as dealing with client trauma; navigating language barriers; helping clients navigate housing searches, including administrative paperwork; and striving to maintain their own safety in potentially dangerous situations—there is a high degree of stress and burnout. Because priorities are often set by the funder, managers indicated that they must meet strict deadlines and funder expectations, which can pose additional stress. Participants noted that most managers like themselves only lasted in their positions for roughly three years.

**Leaders** reiterated the unsustainability of the status quo, and the prevailing mentality that “we’re charitable organizations, and so we should do it cheaper than [government agencies] are willing to.” They also stated that the contract-driven nature of the sector results in an organizational culture that feels heavily bureaucratic, where there is a constant

tension between increasing pay and reducing other services.

**Funders** are aware of these challenges, specifically the fact that funding constraints mean that workers often are forced to provide more services with fewer resources. This leads to insufficient investment in critical roles, such as administrative positions, and lower pay for all workers. Respondents in all the groups—funders, leaders and managers—highlighted concerns that worker wages are so low that they themselves are prone to being housing insecure. One leader explained, “[w]e are the community we serve. . . . To have people sit on one side of the desk helping people address housing crisis, and they are in their own housing crisis because rents have outpaced salaries, it’s ridiculous and not appropriate.”

All groups stated that there would be significant benefits to increasing pay: Clients would directly benefit because the sector would be able to provide better services to the populations they serve; workers, particularly frontline staff, would benefit from improved pay that would establish a basic standard of living and improve morale and worker retention. Leaders and funders indicated that a variety of other benefits would be particularly helpful for these workers. These include providing retention and hiring bonuses, student loan forgiveness or educational cost relief, bereavement time off when clients pass away, emergency funds for staff who are financially struggling, additional training, support for supervisory positions, promoting career paths that advance equity and opportunity, and creating a workplace culture conducive to growth. They also pointed to reducing administrative burdens (such as the need to enter the same data into multiple systems).

With regard to recruiting, in particular, leaders noted competition with government, such as government agencies poaching staff; competition within the sector; and inefficiencies from multiple organizations doing similar work. Leaders also noted the lack of a pipeline of qualified workers, particularly given declining interest in social work and declining school enrollment in social work programs.

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Organizational leaders described the whole sector as underpaid, and market analyses therefore tend to reinforce low wage levels.

## Wage-Setting Process and Barriers to Higher Wages

Nonprofit leaders and managers indicated that they had limited authority over setting wages; instead, government funders were described as controlling much of the wage-setting process implicitly because of the restrictive nature of contracts. For example, government-funded contracts for nonprofit organizations specify a minimum number of clients served or a case-management ratio or a per-bed payment rate (i.e., a fee-for-service model). Many of these reimbursement rates in Los Angeles County were established more than five years ago and have not been raised since then, which, in turn, limits an organization's flexibility to increase worker pay. For county- and city-employed staff, wages are set by the government entity. While there have been recent increases in these rates for certain groups (e.g., a recent 5.5 percent increase in county employee wages), it is unclear how that will spill over to workers in the sector. For example, the City of Los Angeles is planning to set a minimum of \$55,000 in annual earnings for homeless outreach workers they contract with, but it is unclear how this pay level will affect minimum salaries for other workers in the sector.

Philanthropic funders indicated that they do not prescribe specific wage rates because deliverables-based grants do not lend themselves to that setup. While some philanthropic funders said that their grant applications “encourag[e] grantees to apply with living wages in mind” with a link to the California living wage calculators, these funders also do not seem to enforce a lower bound. In particular, they said it is too challenging to review and inform the grantees who are not paying enough. Establishing more-transparent requirements for funded entities to support sustainable wages throughout the lifespans of their awards could help ensure better wages. The funding structure might also present a barrier in this instance; shifting to offering unrestricted, multiyear grants may give providers more flexibility in setting employee wages.

Beyond having funds to increase worker compensation, organizational leaders expressed other challenges with setting and providing appropriate pay. First, they described the whole sector as under-

paid, and market analyses therefore tend to reinforce low wage levels. Second, wages are set using “bands”; if you raise wages for one position in a band, all positions in that band need to be raised, resulting in longstanding repercussions.

## Potential Solutions for Increasing Worker Wages

There are both short-term and long-term solutions to increasing worker wages. Short-term solutions indicated by leaders, managers, and funders included using coronavirus funding to shift resources, freeing money for compensation over the near term. However, government funders emphasized that political will would be needed to achieve long-term increases in worker pay. As one government funder noted: “[I]f we really value the work in the homeless sector, then we are going to pay more for it.” Some funders indicated that this would need to be operationalized in a comprehensive, sustaining manner, such as including a minimum salary for homeless sector response workers in a future ballot measure.

Philanthropic funders also recognized that salary changes are necessary, and while they said that they do not see themselves as directly able to resolve pay issues, they believe that they were important allies. In particular, they were supportive of changes that would establish minimum wage standards for receiving funding to ensure that organizations are able to fairly pay their workers. Philanthropic funders were also supportive of changes that would ensure that organizations are not eating the costs of salaries and other expenditures so that there is a “full cost recovery.” To this end, some philanthropic and government funders indicated that some nonprofit organizations could benefit from training and support to determine comprehensive compensation strategies and funding plans to meet those needs and suggested that capacity-building grants could be one tool for doing so. Another strategy suggested was to provide longer-term commitments to grantees and to reach out to the grantee about a funding renewal before there is a funding gap.

## Recommendations for Los Angeles County's Homeless Response Sector

Several themes emerge from the findings of this report. In this section, we summarize our key recommendations for government and philanthropic funders, organizational leaders, and managers regarding improving worker pay.

### Funders: Government and Philanthropic Organizations

- **Cover the full cost of service.** Many organizations shared that their funders expected them to do work that they are not fully compensated for, which is not a sustainable approach. Funders should fully fund organizations for service provision across all cost categories.
- **Fund basic worker cost-of-living wage increases in contracts and grants.** In contracts, annually update fee-for-service rates, such as bed rates or case management ratios, to account for inflation; indicate that explicit cost-of-living increases must be incorporated in changes to wage rates. In grants, require grantees to budget for wage increases for staff when applying for multiyear grants.
- **Add flexibility to contracts and grants.** Highly restrictive funding sources can be difficult for organizations to use and can result in insufficient funds for staffing and overhead. For example, organizations said that capping overhead costs at 10 to 15 percent would not provide enough to cover the cost of doing business in Los Angeles (e.g., office space). Whenever possible in contracts, reduce restrictions on the use of funding so that organizations have the freedom to decide where best to allocate resources; similarly, consider unrestricted operating support within grant funding.
- **Be clear about what can be considered a direct cost.** Being clear about what can be considered a direct cost in grant applications will give nonprofit organizations more-

detailed guidance and clarity when putting together their applications.

- **Reduce administrative burdens for organizations.** When possible, work to reduce administrative burdens on organizations; for example, interviewees cited duplicative reporting requirements as contributing to employee burnout (which is typically a greater issue for government contracts). When reporting is required, ensure that organizations have adequate resources to commit to the work (e.g., data analytic support).
- **Proactively work with awardees to manage funding timing to avoid gaps.** Reach out to awardees before their grant or contract expires so that they can reapply for funds and avoid a funding gap. Consider shifting to providing longer-term commitments so that organizations have more certainty around their fiscal futures.
- **Seek dedicated, new sources of revenue for staff compensation.** When structuring funding initiatives, such as ballot measures, ensure that a portion of the funds raised can be dedicated to staff wages and account for wage increases over time. Consider the full costs of service provision, including administrative costs, such as data collection and reporting.
- **Invest in further research regarding pay and equity in the sector.** Commit ongoing resources that would allow continuous monitoring of workers' wages via panel surveys and regular evaluation of contract and grant provisions. Providing a transparent wage resource for the sector would ensure that up-to-date information is being communicated to all organizations. Future efforts could examine demographic disparities in promotion pathways and compare these disparities with other comparable sectors.

### Organizational Leadership

- **Improve organizational collaboration to support and advocate for workers.** A recent study from California State University, Los

Angeles described the need for a more coordinated and strategic approach among organizations in the homeless response sector (Sonenshein, 2021). This approach is needed not only for alignment around housing and services to end homelessness but also around worker pay and conditions. Organizations could work together to publicly advocate for better worker pay and could learn from others regarding new resources and supports to provide workers. For example, in interviews, leaders described adopting additional holidays and tuition or education assistance.

- **Examine organizational expenses.** Examine organizational expenses with an eye toward understanding the most-significant costs and where the biggest funding gaps are. This would enable organizations to clearly articulate their priorities and understand where the funding shortfalls are (e.g., worker compensation). In turn, future funding priorities could be targeted toward these funding gaps.

## Managers

- **Invest in understanding and documenting worker experiences.** Understanding worker experiences is extremely useful for helping organizational leaders and funders understand the issues and challenges workers face, the unique skill set they offer, and the ways in which their organizations and the sector as a whole should support them (e.g., organization-specific changes and sectorwide changes).

## All Parties

- **Work together to reduce conflicts of interest regarding worker staffing and pay.** It would be useful for more coordination around pay and staffing processes (without colluding). For example, understanding how pay differences between nonprofit organizations and govern-

ment agencies affect staffing is essential to proactively managing conflicts of interest and ensuring a functioning workforce that provides clients with continuity of care.

- **Build more political will.** Demonstrate to elected officials, including city councils and the Los Angeles County Board of Supervisors, the need to address low wages in the sector and the costs associated with low wages, which can include increased turnover and reduced efficacy of the system's response to homelessness. For example, Los Angeles County officials could consider a policy similar to the one the City of Los Angeles has adopted in setting a minimum salary for contracted outreach workers.

## Research Limitations

The wage estimates that we collected were drawn from publicly listed job postings over a finite period and, as such, represent a selected sample. Also, we did not collect data on the full set of benefits that homeless sector response workers receive. Finally, we were not able to answer why workers are not paid a living wage. More comprehensive research is required to answer this question.

## Summary

Going forward, action is needed from all groups in the homeless response sector. Given the status quo, it is imperative to understand how to best support homeless response sector workers, such as paying them a living wage. While we provide specific recommendations to funders, organizational leaders and managers, we also acknowledge that more research needs to be done to understand the extent of the problem and inform future strategies to improve worker pay. Doing so would be in the interests of the workers themselves (by establishing basic improvements in their working conditions) and to the clients these workers serve (by improving the quality and continuity of care received).

APPENDIX A

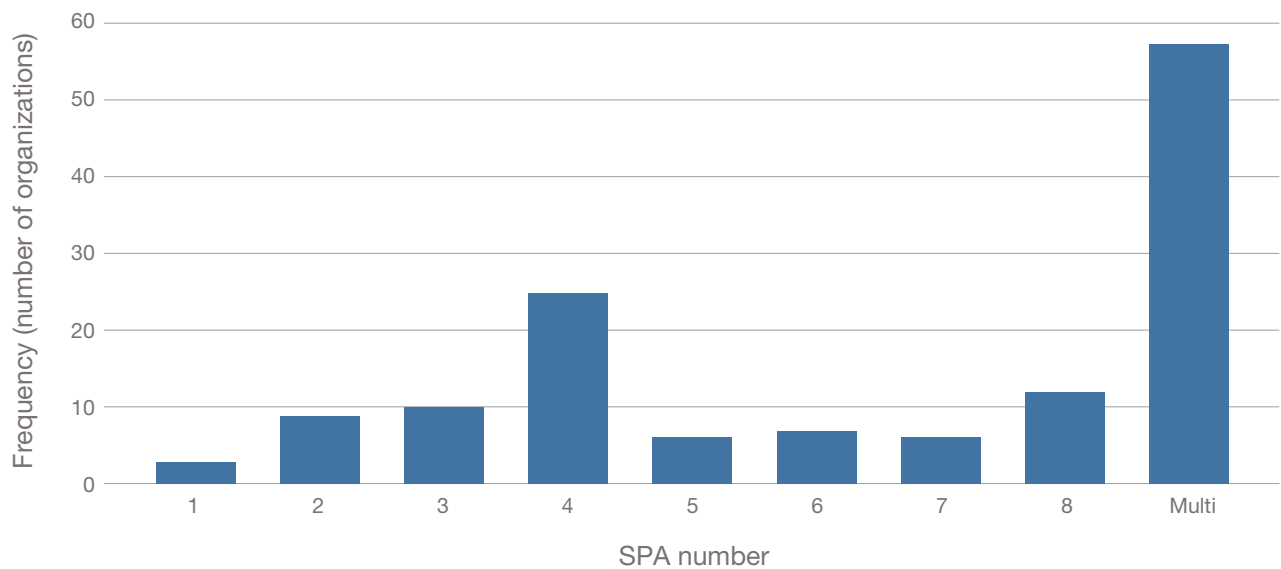
## Sector Background and Wage Collection Methodology

We compiled a list of organizations in the sector that included those funded by Measure H and those funded by other sources (i.e., non-Measure H). We drew from a variety of resources to develop the initial list of organizations in the sector, including meeting notes from LAHSA’s Finance, Grants and Contracts Committee to identify LAHSA subgrantees and contractors (LAHSA, 2022a), LAHSA’s winter shelter list (LAHSA, 2022b), Los Angeles County Continuum of Care funded projects (LAHSA, 2021), a list of agencies that received fiscal year 2020–2021

Measure H funding (Los Angeles County Homeless Initiative, 2021), and additional documentation on organizations that KPMG shared with us (based on KPMG’s own analyses of the homeless response sector) (KPMG, 2022). In addition to compiling a list based on government grants and contracts, we also included agencies that received funding from philanthropy, such as from the Conrad N. Hilton Foundation (Hilton Foundation, 2022).

Figure A.1 shows the number of organizations in our sample from each of the SPAs in the county, and Figure A.2 illustrates a screen used in the search process.

FIGURE A.1  
SPA Distribution of Organizations

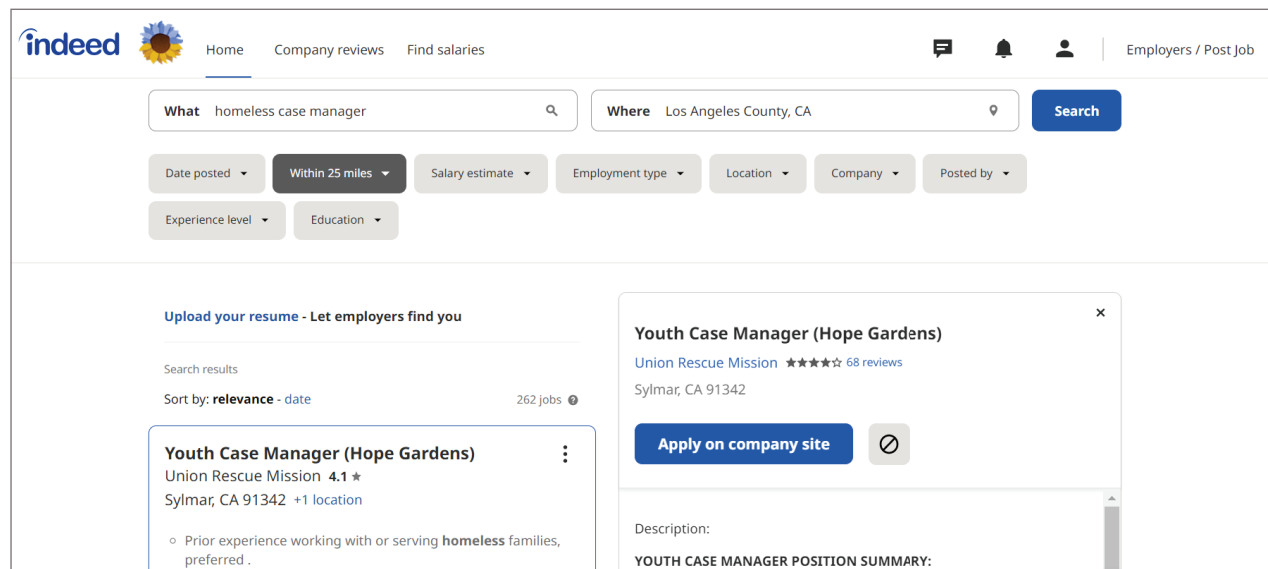


SOURCE: IRS Form 990 tax data from Amazon Web Services, undated.

NOTE: Los Angeles County is organized into eight SPAs based on geographic location (see Los Angeles County Department of Public Health, undated, for more information). This figure displays the SPA distribution of the 136 nonprofit organizations in our sample; most organizations in the sample work in multiple SPAs, and if they only work in one, SPA 4 is the most common.



FIGURE A.2  
Wage Collection Search Process



NOTE: This figure displays the Indeed search engine used to obtain wage data from job postings in Los Angeles County, California.

## APPENDIX B Qualitative Data Methodology

All the interviews and focus groups were guided by a semistructured interview protocol that was tailored by the respondent type (i.e., whether a respondent was a funder, leader, or program manager). We asked about the participant's role in influencing wages, how wages in the sector (or in their organization) were determined, perceptions about the wage-setting approaches currently used in the sector, and the challenges and benefits to increasing pay in the sector. For leaders, we also asked about the revenue sources for worker wages. For leaders and program managers, we asked about staff recruitment and retention strategies. At the end of each discussion, we asked participants to share any additional input they had on the issue. Nonprofit leaders and program managers who participated in individual interviews were offered a \$50 gift card for their participation.

The interviews were audio recorded, and the interviewer or a designated notetaker created field notes from each discussion. The interview team met regularly prior to and during the data collection to

discuss the approach and emerging themes, consistent with a rapid thematic content analysis (Averill, 2002; Hamilton, 2013; Taylor et al., 2018). Rapid analysis allows research to identify themes more efficiently than do traditional qualitative approaches. We organized the interview notes by respondent type and by the key question domains (e.g., the challenges to and benefits of increasing pay) using a matrix in Excel. Following each interview, a researcher inserted detailed notes into the matrix regarding participant responses, along with candidate quotations.

Following completion of all interviews, one researcher synthesized the themes by respondent type, including the exemplar quotes, which was reviewed by the rest of the team for consensus. The themes were based on their cohesiveness and prevalence across each respondent type and also included inconsistent perspectives (i.e., negative case analysis). Consensus was achieved by interactive discussions among the research team. Next, the lead author reviewed the synthesized themes and exemplar quotes across respondent types for identification of themes for inclusion in this report.

APPENDIX C

**Illustrative Exemplar Quotes**

In Table C.1, we provide illustrative examples of the key themes derived from the interviews and focus group discussions organized by respondent type (funder, leader, or manager).

TABLE C.1  
Key Themes and Illustrative Quotes by Respondent Type

Key Theme	Illustrative Quote
<b>Wage-setting process</b>	
Funder	We value education and degrees, so we are going to pay people more if they have that. . . . If we really value the work in the homeless sector, then we are going to pay more for it.
Leader	We look at compensation analysis for our sector, but that’s difficult, because our sector as a whole is so vastly underpaid.
<b>Barriers to higher wages</b>	
Funder	We can’t force our contractors to pay a certain wage level. That’s not our role.
Funder	We don’t get into the nuts and bolts of how providers use the rate.
Leader	We’re at the mercy of funders and contracts. So, when you think of contracts like government contracts that we’re at the mercy of when determining salaries, we can only do what the contract provides us, and it is very strict and regimented in terms of how we’re able to disburse that funding to the worker.
Leader	When you get the philanthropic dollars, they’re very clear that oh this isn’t [going to] cover salary, this isn’t [going to] cover staff, this isn’t [going to] cover the things that we need.
Leader	Everyone uses the term equity, including the funders, it’s included in our contracts et cetera, but most of the policies and resource allocation policies and protocols don’t support that.
Leader	Part of the problem is that you’ve got too much competition. You’ve got so many nonprofits in homeless services doing the same good work and everyone is fighting for a workforce and so when some agencies that are much larger in terms of budget than we are for instance, they can more easily scoop up staff because they can offer pay ranges that we can’t.
Leader	Several of us have had many conversations over the past year or two about full cost reimbursement on contracts. . . . It really is this vicious cycle. We are, in a lot of ways, we are complicit to perpetuating the structural and institutional barriers to people who are doing a tremendous public good and public service and are not being fairly compensated for that. Just in terms of equity and parity in the sector, when LAHSA raised its minimum wage to \$50 thousand, which is great I’m glad that they do that, but that door should swing both ways. Funders are fielding outreach teams that are working side by side and not being paid the same, and not giving us the opportunity, i.e., the resources, to do the same thing, just continues to perpetuate structural inequities.
Leader	The overhead we get through government contracts is very poor. . . . The contracts don’t pay us what we need to get paid to pay people equitably.
Leader	[Funders] expect you to use your 15 percent or 10 percent administrative rate for indirect costs . . . but the reality is that it’s not enough.
Manager	We’re really at the beck and call of funders; they really shape what we need to prioritize and focus on and have very strict timelines and expectations that are not always realistic. . . . It’s a lot about following money . . . on someone else’s timetable.
<b>Potential solutions to increasing wages</b>	
Funder	Without a new funding stream, we are going to have to make curtailments elsewhere. . . . I think we need to do that because it’s the right thing to do, and it’s the sustainable thing to do, but we need to do that with real data so our policymakers, like Board of Supervisors, can make informed decisions.
Funder	Measure H renewal could speak to the pay issues. . . . we could build the minimum salary into the ballot measure.
Leader	We need our system leaders to really take a good hard look at how these contracts are structured, how these policies are structured, how they govern how we do our work, and how all those things directly impact the culture of our organization.

Table C.1—Continued

Key Theme	Illustrative Quote
Unsustainability of the status quo	
Funder	In our sector in general, we have a scarcity mindset. We're always having fewer resources than people who need those resources. We're always trying to put as much of the dollars on the street towards housing and services as possible. We don't have all the supporting infrastructures at the levels that we need. . . . Better infrastructure creates greater effectiveness and yields greater efficiencies.
Funder	The health and wellness of the organization [are] directly connected to the health and wellness of the people they are serving, so an unhealthy organization or [an] organization that is stretched too thin, you can see the impact in a lot of different ways, including if you try to get data from a nonprofit, on who they served, they can't get you accurate data, so you can see the absence of those functions, the healthy administrative component to an organization, does directly impact the delivery of the programs [and] services.
Funder	I've worked in nonprofits and the days of general operating grants, those were the golden days, when we use to get an 8 to 10 million dollar operating grant that you had the flexibility to use how you saw fit in order to grow the organization. Now the trend is towards funding more and more direct services and less and less in administration, and that has become a problem.
Funder	[We need to] celebrate the successes, because the work that people do is super important because we're changing people's and impacting people's lives. . . . there's a lot of times when the work [providers] do can be very discouraging because the outcomes we're hoping for don't happen, and [our sector needs to help] people through that.
Leader	The mentality of our government funders is that we're charitable organizations, and so we should do it cheaper than they are willing to do, for number one. And number two, if they don't give us enough money, we should be happy with what we get and go out and do fundraising to supplement it.
Leader	There are some . . . that think that that's a virtue, doing more with less. But that scarcity mindset and not knowing where funding is going to come from or having to cut corners, not just be creative—but really not have the necessary tools or the necessary staffing, it leads to burnout, it leads to turnover, it leads to poor outcomes.
Leader	We are the community we serve. . . . To have people sitting on one side of the desk helping people address housing crises, and they're having their own housing crisis because rents have outpaced the salaries, it's just ridiculous, and it's not appropriate.
Leader	Our staff are so close to needing the services that we provide or actually do need the services we provide. In some of our rapid rehousing programs, the income qualifications are higher than we pay our staff. So, some staff have noted that clients have a higher salary than they do.
Manager	Any program manager . . . can only last for 3 years max. . . . At one point in my life, I did want to switch positions because it was very difficult, it was just mentally draining, emotionally draining, to deal with the constant needs of clients. You will get stressed and burned out, definitely. When I had that conversation with 3 or 4 of my coworkers [they said] yeah, no one will last for more than 3 years in that position.
Manager	It's all a machine that's super broken right now. But if we want to get even [kind of] close to some sort of, not even resolution, but progress in terms of homelessness then we need workers to give a crap about their jobs, who aren't cutting corners . . . and in order for people to want to do this job in particular, which is very, very difficult, we [need to] at least give them enough to survive.
Manager	Safety [is a challenge]. If you don't know the area and you step into a zone that they don't know you, you could run the risk of getting assaulted. . . . So, we try to do a buddy system for all of our staff. I mean just recently, like a few weeks ago, there were multiple shots out here. Thankfully all of my staff was onsite and not on the street, but you always run the risk of being in the wrong place at the wrong time. So that's a barrier as well for people to come work here and take these jobs, especially if they're not high paying or moderate paying, they're going to be like, well, I'd rather have a safe life.
Manager	It feels like there is an overload of work and sometimes that happens when our teams are down case managers. If our teams are not fully staffed, then the rest of the team that's remaining and program managers pick up the slack . . . that can feel pretty overwhelming.

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## About This Report

Social Justice Partners Los Angeles asked the RAND Corporation to examine what constitutes a living wage in Los Angeles County, what the costs are of not paying a living wage to homeless response sector workers, and what the barriers are to paying a living wage to workers in the sector. The authors compared frontline worker and management wages in the homeless response sector with living wage estimates and housing costs in Los Angeles. The authors also interviewed government and philanthropic funders, organizational leaders, and managers in the homeless response sector to begin to understand the funding landscape. Examining this qualitative data identified potential pathways for improving worker wages in the sector and led to specific recommendations for funders, leaders, and managers.

### RAND Education & Labor

This study was undertaken by RAND Education and Labor, a division of the RAND Corporation that conducts research on early childhood through postsecondary education programs, workforce development, and programs and policies affecting workers, entrepreneurship, and financial literacy and decisionmaking.

### RAND Social and Economic Well-Being

RAND Social and Economic Well-Being is a division of the RAND Corporation that seeks to actively improve the health and social and economic well-being of populations and communities throughout the world. This research was conducted in the Social and Behavioral Policy Program within RAND Social and Economic Well-Being. The program focuses on such topics as risk factors and prevention programs, social safety net programs and other social supports, poverty, aging, disability, child and youth health and well-being, and quality of life, as well as other policy concerns that are influenced by social and behavioral actions and systems that affect well-being. For more information, email [sbp@rand.org](mailto:sbp@rand.org).

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This study was sponsored by Social Justice Partners Los Angeles. For more information and research on these and other related topics, please visit <https://www.sjpla.org/>