

Goodwill

Industries of South Central California



OUTCOMES MEASUREMENT REPORT

2014

Executive Summary:

The foundation of Goodwill's mission is the fundamental belief that people want to work to provide a better life for themselves and their families. Slogans such as "We Believe in the Power of Work" and "A Hand-Up, Not a Hand-Out" were created as a communication tool to help the public understand that Goodwill supports an individual's right to work and prosper regardless of his/her barrier to employment.

To continue to serve this mission, Goodwill refined the focus of the Transitional Employment Plan (TEP, created in 2012) to increase its effectiveness. Due to changes in the retail job market (depressed wages, reduction in hours worked) it was determined that balancing the need for sustained long term employment within Goodwill is as important as "Promoting out" into other workplaces unless the "promote out" was a considerable increase of salary/benefit/growth for the employee.

In 2014, Goodwill hired 152 local individuals – 80% of which had a documented, declared barrier to employment. The average wage of those 152 individuals was \$9.29 and 99.3% of them worked in "full-time" jobs at one of Goodwill's 13 retail and/or warehouse locations. Utilizing the TEP Program as the primary vehicle to deliver mission services to its employees, Goodwill was able to promote 38 individuals throughout the year. Each internal promotion resulted in an average annual wage increase of 21% and each promoted employee took an average of 8.3 months to receive his or her internal promotion. Because of changes in the retail environment only one Goodwill employee transitioned out of Goodwill. However 12 new full-time positions were created by the opening of the Lemoore store in April.

In addition Goodwill increased its value to the community by expanding services to those outside of Goodwill who also needed assistance in increasing their employment skill set. Mission Services cemented their relationship with the Department of Rehabilitation (DOR) and placed more participants than ever before, providing valuable assessment services. In November Goodwill opened the "Success Center", an open to the public work space designed to help those in need with skills attainment, job searching, and resume building.

Goodwill also partnered with the Transition to Independent Living (TIL) program at Taft College. The TIL program is a post-secondary educational experience for adults who have developmental/intellectual disabilities. The program provides instruction, training, and support and career skills necessary for students to live a productive and normalized lifestyle. Through regular employment and a Chevron grant funded program, Goodwill employs several TIL students who are a valuable part of the Taft team.

Goodwill's primary focus in 2015 will continue to be "employment," and the following report analyzes how well Goodwill delivered its mission services to the individuals it served throughout the year.

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I. INTRODUCTION:

In 2012, Goodwill started its Transitional Employment Program. This program was designed to hire local individuals with barriers to employment, promote them up through on-the-job training, and ultimately promote them out into higher paying community jobs. The Transitional Employment Program was designed to maximize public benefit while minimizing public cost – as Goodwill received no federal, state, or grant monies to subsidize the program. Instead, Goodwill self-funded the program by reselling the public’s donated goods. Below is a story that reflects the effectiveness of the program.

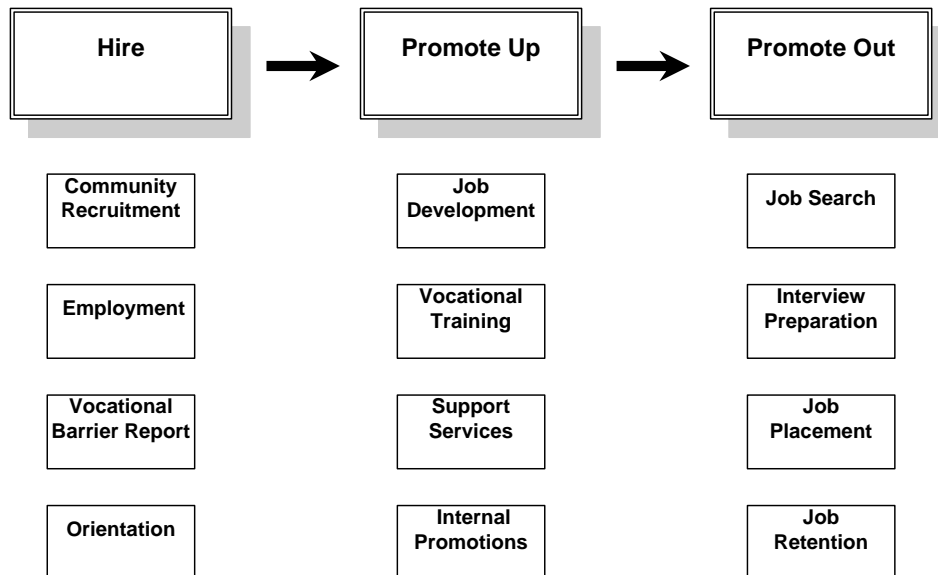
II. EFFECTIVENESS:

In 2014, Goodwill hired 152 local individuals (25.0% were hired from community referral agencies). Of those 152 individuals, 59 had a declared vocational disability and 105 had a declared vocational disadvantage, meaning 79.6% of all Goodwill employees hired in 2014 had a declared, documented barrier to employment.

At the end of the calendar year, 38 Goodwill employees had received an internal job promotion resulting in an average annual wage increase of 20.8% per promoted employee; and it took each promoted employee an average of 8.3 months to receive their promotion.

By the end of 2014, only 1 Goodwill employee had been placed into competitive community employment. The placement actually yielded a decrease in the employee’s initial wage because it was a part time position. However it was determined that the employee had a good chance of future advancement with a larger national corporation.

The overall effectiveness of Goodwill’s Transitional Employment Program was measured by a set of key metrics comprised of several components which corresponded to the major theme: “Hire, Promote Up, and Promote Out.” A flow chart of these components is below:



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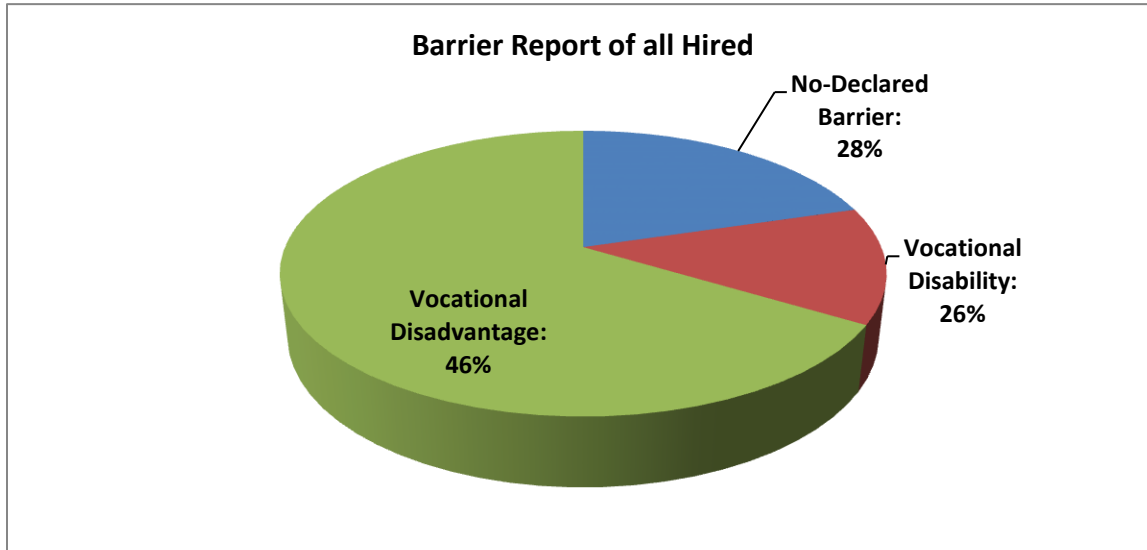
Under each component, key metrics were established, tracked, and reported to the Goodwill Board of Directors on a quarterly basis. The final Board Report from 2014 is displayed below:

HIRE: Key Metrics					
Community Recruitment	Q1	Q2	Q3	Q4	2014
Interviewed from Referral Agency (#)	72	12	7	15	106
Hired from Referral Agency (#)	4	27	7	0	38
Referral Agency Interview-to-Hire Ratio (#)	18.0:1	.4:1	1.0:1	0	2.8:1
% of Total Hired from Referral Agency (%)	9.3%	50.0%	17.1%	0.0%	25.0%
Employment	Q1	Q2	Q3	Q4	2014
Total Hired (#)	43	54	41	14	152
Avg. Wage of all Hired (\$/hr)	\$9.10	\$8.63	\$9.21	\$10.23	\$9.29
Allocated Full-Time Positions (%)	100.0%	100.0%	100.0%	92.9%	100.0%
Vocational Barrier Report	Q1	Q2	Q3	Q4	2014
Hired w/ Declared Barrier to Employment (%)	83.7%	87.0%	73.1%	50.0%	79.6%
Hired w/ Declared Disability (#)	6	9	5	0	20
Hired w/ Declared Disadvantage (#)	30	38	26	7	101
Orientation	Q1	Q2	Q3	Q4	2014
Total Orientations (#)	7	59	8	5	79
Community Service/Volunteers (#)	87	111	44	43	285
PROMOTE UP: Key Metrics					
Job Development	Q1	Q2	Q3	Q4	2014
Assessments/IDPs Created (#)	15	1	0	0	16
Hours of Job Development (#)	24.5	10.5	0.0	0.0	35.0
Vocational Training	Q1	Q2	Q3	Q4	2014
Hours of On-the-Job Training (#)	132044.4	109646.7	129532.3	105349.4	476,572.8
Hours of Retail Curriculum Training (#)	0.0	0.0	0.0	0.0	0.0
Pre/Post Competency Test Improvement (%)	0.0%	0.0%	0.0%	0.0%	0.0%
"Full Range" Support Services	Q1	Q2	Q3	Q4	2014
External Referrals (#)	5	6	0	15	26
Internal Promotions	Q1	Q2	Q3	Q4	2014
Internal Job Promotion Rate (%)	32.4%	43.9%	34.7%	55.5%	41.6%
Internal Promotions w/ Wage Increase (#)	11	16	6	5	38
Avg. Wage Increase (\$/yr)	\$4,356	\$2,708	\$4,056	\$4,297	\$3,471
Avg. Wage Increase (%/yr)	26.8%	18.0%	31.5%	20.7%	20.8%
Avg. Length of Time (months)	5.3	6.4	1.8	15.7	8.3
PROMOTE OUT: Key Metrics					
Job Search	Q1	Q2	Q3	Q4	2014
Sign-Ins at Career Resources Center (#)	N/A	N/A	N/A	87	87
Hours at Career Resource Center (#)	N/A	N/A	N/A	225	225
Interview Preparation	Q1	Q2	Q3	Q4	2014
Hours of Interview Preparation (#)	10.5	0.0	0.0	0.0	10.5
Job Placement	Q1	Q2	Q3	Q4	2014
Client Community Placements (#)	6	9	12	7	34
Avg. Wage (\$/yr)	\$16,451	\$13,465	\$19,013	\$13,399	\$15,292
Employee Community Placements (#)	0	1	0	0	1
Avg. Wage (\$/yr)	N/A	\$13,000	N/A	N/A	\$13,000
Avg. Wage Increase (\$/yr)	N/A	-\$2,070	N/A	N/A	-\$2,070
Avg. Wage Increase (%/yr)	N/A	-13.7%	N/A	N/A	-13.7%
Avg. Hours (#/wk)	N/A	25.0	N/A	N/A	25.0
Avg. Length of Time (months)	N/A	40.2	N/A	N/A	40.2
Job Retention	Q1	Q2	Q3	Q4	2014
90 Day Retention (%)	N/A	N/A	N/A	100.0%	N/A

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II. a) Hire

Utilizing community referral agencies as well as self-referred walk-ins, Goodwill was able to ensure that more than 70% of all employees hired in 2014 had a declared, documented barrier to employment (see below).

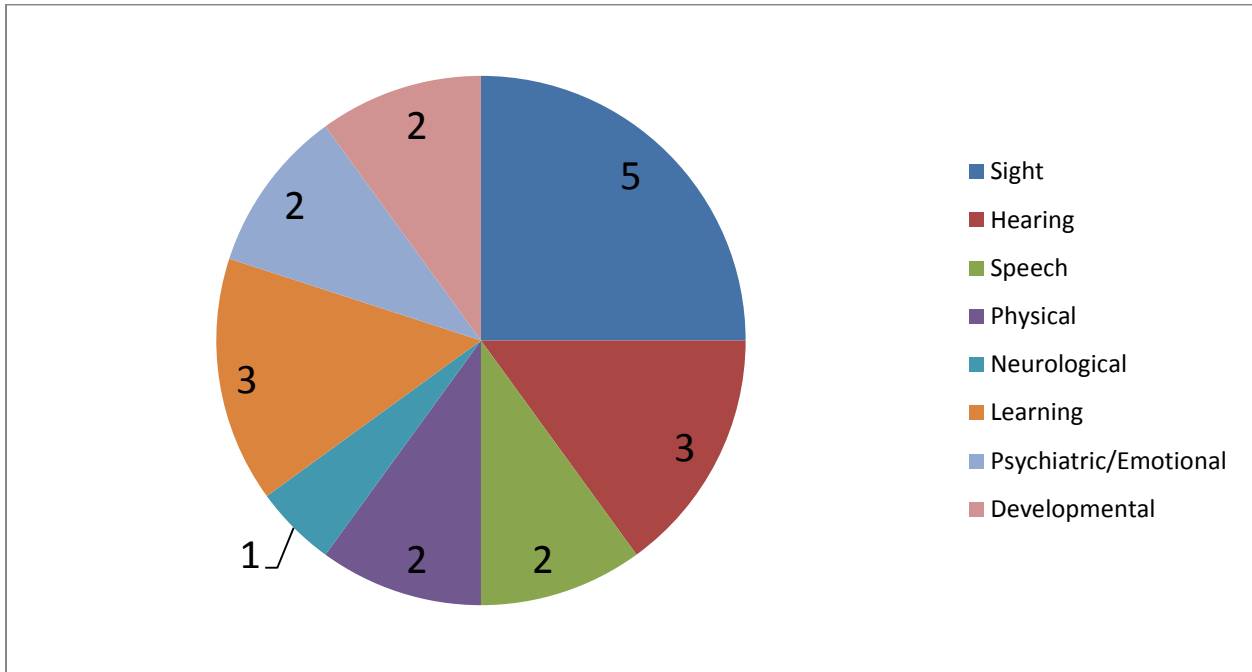


Aside from tracking barriers to employment, Goodwill also tracked the specific vocational disabilities and disadvantages declared by employees. The tables below and pie graphs (on next page) depict this information and demonstrate Goodwill's commitment to its mission.

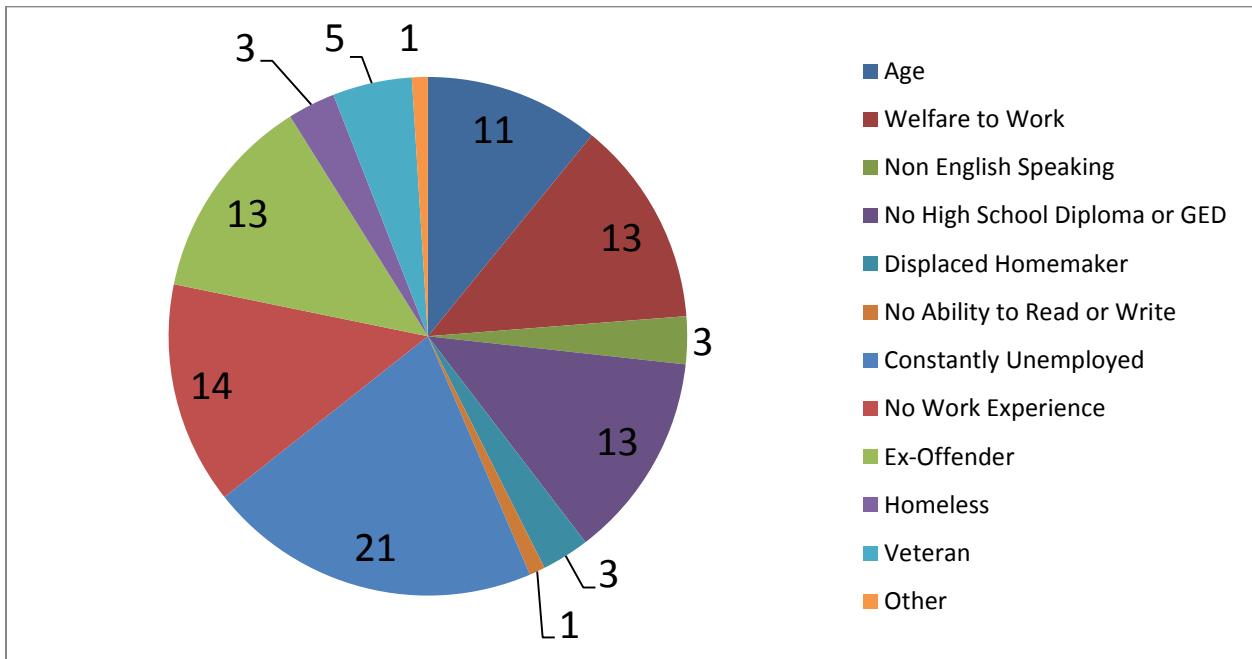
	Disability
5	Sight
3	Hearing
3	Learning
2	Psychiatric/Emotional
2	Speech
2	Physical
2	Developmental
1	Neurological
20	Total

	Disadvantage
21	Constantly Unemployed
13	Ex-Offender
13	No High School Diploma or GED
13	Welfare to Work
11	Age
14	No Work Experience
3	Displaced Homemaker
1	No Ability to Read or Write
3	Non English Speaking
3	Homeless
1	Other
5	Veterans
101	Total

VOCATIONAL DISABILITY



VOCATIONAL DISADVANTAGE



In 2014, the average wage of all hourly Goodwill employees hired was \$9.29 (California minimum wage was \$9.00); and 99.3% of all hourly Goodwill employees were “full-time” status (35 hours or more per work week).

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Apart from the 152 employees hired, Goodwill also provided an opportunity to 285 local individuals to fulfill their community service/volunteer hours.

In 2015, Goodwill will continue to focus on hiring individuals with barriers to employment, with the goal of maintaining a workforce of 70% having a declared, documented vocational disability or disadvantage. Goodwill will also continue its commitment to ensure that all full-time, hourly employees become eligible for company benefits at 2 months of employment. Finally, Goodwill will continue to be an asset to the community by providing a much needed resource for court-ordered community service and/or volunteer hours.

II b) PROMOTE UP

In 2014, Goodwill Job Developers created Individual Development Plans for 16 Goodwill employees. In all, hundreds of Goodwill employees received 476,572.8 hours of on-the-job training across 13 retail stores, 5 attended donation centers, and one warehouse/administrative office.

On-the-job training and job development services were all a part of Goodwill’s strategy to increase the overall skill set of its employees with the goal of being able to promote them within the agency.

In 2014, Goodwill had an ‘Internal Promotion Rate of 41.6%; meaning Goodwill had 91 internal job openings (above minimum wage) available throughout the year and 38 of those positions were filled internally.

In 2014, 38 Goodwill employees received an internal promotion with a wage increase. The average annual wage increase for each promoted employee was 20.8% which equated (on average) to an extra \$3,471 per year. The table below page displays the detailed wage increase information of each promoted employee (names kept confidential) in 2014:

Last Name	First Name	Beginning Annual Wage	New Annual Wage	Wage Increase (\$/yr)	Wage Increase (%/yr)	Prior Position Start Date	Date Promoted	Length of Time (Months)
Employee	A	\$14,560	\$19,968	\$5,408	37.1%	10/31/13	1/11/14	2.4
Employee	B	\$14,560	\$15,470	\$910	6.3%	10/10/13	1/11/14	3.1
Employee	C	\$14,560	\$21,320	\$6,760	46.4%	12/19/13	1/4/14	0.5
Employee	D	\$14,560	\$15,470	\$910	6.3%	11/19/13	1/18/14	2.0
Employee	E	\$23,026	\$30,160	\$7,134	31.0%	12/15/12	2/8/14	13.8
Employee	F	\$15,470	\$18,720	\$3,250	21.0%	7/27/13	2/8/14	6.4
Employee	G	\$15,470	\$22,672	\$7,202	46.6%	11/7/13	2/1/14	2.8
Employee	H	\$14,560	\$18,720	\$4,160	28.6%	3/28/13	2/15/14	10.7
Employee	I	\$14,560	\$18,720	\$4,160	28.6%	8/13/13	3/1/14	6.6
Employee	J	\$14,560	\$15,470	\$910	6.3%	6/27/13	3/8/14	8.4
Employee	K	\$22,880	\$29,994	\$7,114	31.1%	1/9/14	2/22/14	1.4
Employee	L	\$34,320	\$38,002	\$3,682	10.7%	1/9/14	4/5/14	2.8
Employee	M	\$14,560	\$15,470	\$910	6.3%	3/27/14	4/5/14	0.3
Employee	N	\$15,470	\$18,720	\$3,250	21.0%	11/19/13	4/5/14	4.5

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Employee	O	\$14,560	\$21,320	\$6,760	46.4%	8/24/12	4/12/14	19.6
Employee	P	\$14,560	\$18,720	\$4,160	28.6%	12/5/13	4/12/14	4.2
Employee	Q	\$14,560	\$15,470	\$910	6.3%	4/3/14	4/26/14	0.8
Employee	R	\$14,560	\$15,470	\$910	6.3%	12/24/13	4/26/14	4.0
Employee	S	\$14,560	\$15,470	\$910	6.3%	3/5/14	5/10/14	2.2
Employee	T	\$15,470	\$21,320	\$5,850	37.8%	3/8/14	5/10/14	2.1
Employee	U	\$14,560	\$18,720	\$4,160	28.6%	1/9/14	5/3/14	3.7
Employee	V	\$14,560	\$15,470	\$910	6.3%	5/8/14	6/28/14	1.7
Employee	W	\$14,560	\$15,470	\$910	6.3%	5/1/14	6/14/14	1.4
Employee	X	\$19,094	\$21,840	\$2,746	14.4%	12/19/06	6/17/14	90.0
Employee	Y	\$15,470	\$18,720	\$3,250	21.0%	11/26/13	6/17/14	6.7
Employee	Z	\$17,982	\$18,528	\$546	3.0%	12/3/13	6/28/14	6.8
Employee	AA	\$14,560	\$15,470	\$910	6.3%	8/6/13	6/1/14	9.8
Employee	BB	\$16,380	\$16,926	\$546	3.3%	5/5/14	7/19/14	2.5
Employee	CC	\$18,720	\$22,880	\$4,160	22.2%	3/13/14	7/17/14	4.1
Employee	DD	\$9,360	\$16,926	\$7,566	80.8%	6/5/14	8/30/14	2.8
Employee	EE	\$16,380	\$16,926	\$546	3.3%	6/18/14	8/9/14	1.7
Employee	FF	\$9,360	\$16,926	\$7,566	80.8%	6/5/14	8/30/14	2.8
Employee	GG	\$16,380	\$16,926	\$546	3.3%	6/26/14	9/20/14	2.8
Employee	HH	\$16,380	\$16,926	\$546	3.3%	2/22/13	10/25/14	20.1
Employee	II	\$19,968	\$28,226	\$8,258	41.4%	4/12/14	11/1/14	6.7
Employee	JJ	\$30,160	\$38,000	\$7,840	26.0%	11/28/11	11/29/14	36.1
Employee	KK	\$16,380	\$16,926	\$546	3.3%	6/10/14	11/15/14	5.2
Employee	LL	\$23,130	\$28,226	\$5,096	22.0%	1/24/14	12/13/14	10.6
	Average	\$16,704	\$20,176	\$3,471	20.8%		Average	8.3
	Minimum	\$14,560	\$15,470	\$910	3.0%		Minimum	0.3
	Maximum	\$34,320	\$38,002	\$3,682	41.4%		Maximum	90.0

II. c) Promote Out:

The ultimate goal of Goodwill's Transitional Employment Program is to help employees successfully transition into higher paying community jobs. By the end of 2014, only 1 Goodwill employee had been placed into competitive community employment. The placement actually yielded a decrease in the employee's initial wage because it was a part time position. However it was determined that the employee had a good chance of future advancement with a larger national corporation. A 90 day check up by Mission Services Staff was performed and the employee was still employed.

Last Name	First Name	GISSC Annual Wage	New Annual Wage	Wage Increase (\$/yr)	Wage Increase (%/yr)	New Hours (per/wk)	90 Day Retention
Employee	A.	\$15,070	\$13,000	-\$2,070	-13.7%	25.0	Yes

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The focus of Goodwill’s Transitional Employment Program in 2014 was discussed with the Board in in the 2nd quarter regarding de-emphasizing the “Promote Out” part of TEP. Due to changes in the retail market and effect that employee turnover had internally, promoting out was placed more in balance with other services provided by Goodwill.

Last Name	First Name	Date Hired by GISCC	Date Placed	Length of Time (Months)
Employee	A.	12/10/2010	04/25/2014	41.5

Aside from providing on-the-job training and job development services, Goodwill’s Transitional Employment program made available a variety of support services to any employee who desired or needed assistance. Goodwill did not offer the support services directly, but instead utilized community partners who specialized in those areas. In 2014, 30 Goodwill employees received support services from 16 community partners.

Supportive Services Key Metrics	Q1	Q2	Q3	Q4	2014
Career Services Center – KCDHS	2	2	0	2	6
Bakersfield Adult School	1	0	0	0	1
ABC/WESTEC	0	0	0	1	1
Beale Library	0	1	0	0	1
CSUB	0	0	0	5	5
VAC	1	1	0	0	2
KRC	0	1	0	0	1
Taft Community College	0	0	0	1	1
Healthy Families – KCSOS	0	0	0	1	1
DMV	0	0	1	0	1
Housing Authority of the County of Kern	1	0	0	0	1
Superior Court of California, Kern County	0	0	0	1	1
DOR	0	0	1	2	3
Consumer Credit Counseling	0	0	0	1	1
Kern County Foster Youth Advocate	0	0	1	0	1
Other	0	1	1	1	3
Total	5	6	4	15	30

III. EFFICIENCY:

The efficiency of Goodwill’s Transitional Employment Program can best be measured by tracking how long it takes Goodwill employees to promote up within Goodwill and ultimately promote out into higher paying community jobs.

In 2014, Goodwill promoted 38 total employees. The average length of time of those 38 promotions was 8.3 months. The fastest an employee received an internal promotion was 0.3 months; and the longest time it took an employee to receive an internal promotion was 90.0 months. Goodwill’s goal for 2014 was to decrease the average time to promote up for 10.2 months (in 2013) to 9.0 months. This goal was accomplished and in 2015, Goodwill will try and improve this goal from 8.3 months to 8.0 months.

IV. OTHER SERVICES:

DOR Placements and Assessments: In 2014, Goodwill focused on expanding our relationships with the California Department of Rehabilitation (DOR). DOR is an employment and independent living resource for people with disabilities. Goodwill provides placement and assessment services for DOR. External placements totaled 34 people in 2014, compared to 25 in 2013, an increase of 36%. It should also be noted that 19 of these placements were in the latter half of 2014. Billing for the year from DOR totaled \$194,400. This is an area that Goodwill is expecting to grow, there are currently 75 open cases being handled by Mission Services staff.

TIL Program: The Transition to Independent Living (TIL) program is a post-secondary educational experience for adults who have developmental/intellectual disabilities at Taft College. The program provides instruction, training, support and career skills necessary for students to live a productive and independent lifestyle. Goodwill employs several TIL students who are valuable members of the Taft team. Goodwill served 8 TIL students per semester (2 semesters) in 2014, for a total of 16 students.

The ENERGY Program: The ENERGY (Educated and Engaged Responsible Goodwill Youth) program began in the 2013-2014 school year with generous sponsorship of \$6,000 from PG&E. The program's mission is to promote, encourage, and expose youth to careers in the energy, oil and gas, and petrochemical industries. ENERGY is housed at Sunset Middle School with 35 middle school students who attend 7 sessions throughout the school year with a field trip to the PG&E Diablo Power Plant and Cal Poly. Students in the program are chosen based on their interest in education and their dedication to completing obligations. They are not chosen based on their GPA, but interest in their future. The program is intended to enhance student's confidence to succeed, explore future opportunities, and learn about potential career paths. Goodwill served 35 students in the ENERGY program in 2014.

V. SERVICE ACCESS:

In 2014, Goodwill hired a total of 152 individuals into its Transitional Employment Program. Apart from being accessible to the general public, Goodwill's Transitional Employment Program also placed a strong emphasis on hiring individuals from local referral agencies. Thus, every time Goodwill had a job opening, the Human Resources Department contacted (via email) individuals representing 48 different community referral agencies to solicit qualified candidates.

Due to the above stated strategy, Goodwill interviewed a total of 106 individuals with barriers to employment who were receiving some form of vocational services from a community referral agency. Of those 106 individuals, Goodwill hired 38 into full-time positions. Thus, Goodwill had a 'Referral Agency Interview-to-Hire Ratio' of 2.8:1. Overall, 17 community referral agencies had at least one client hired by Goodwill in 2014. See the next page for a complete breakdown of clients hired through a community referral agency.

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2014	Referral Agency
11	DHS – EASE
4	DOR
4	Kern Youth Build
3	HACK
3	Veteran’s Administration
2	EPP
2	Cal Jobs
2	MAOF
2	ROC
1	BARC
1	Bethany Services/Bakersfield Homeless Center
1	Valley Achievement Center
1	Bakersfield College
1	KCHD
38	Total Hired from Referral Agency
106	Walk-In
152	Total Hired
25.0%	Percent Hired from Referral Agency

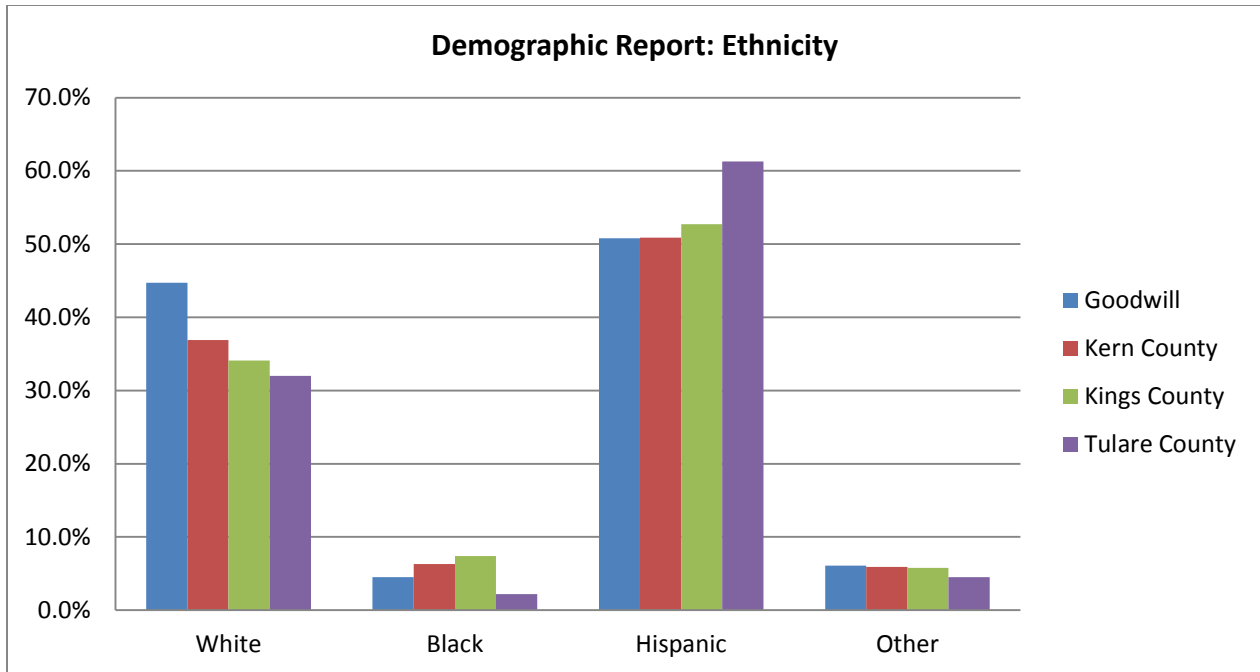
Overall, 25.0% of the 152 employees Goodwill hired in 2014 came from a community referral agency. Community referral agency metrics were tracked and reported to the Goodwill Board of Directors on a Quarterly basis and the results can be seen in the table below:

Community Recruitment	Q1	Q2	Q3	Q4	2014
Interviewed from Referral Agency (#)	72	12	7	15	106
Hired from Referral Agency (#)	4	27	7	0	38
Referral Agency Interview-to-Hire Ratio (#)	18.0:1	.4:1	1.0:1	0:1	2.8:1
% of Total Hired from Referral Agency (%)	9.3%	50.0%	17.1%	0.0%	25.0%

In 2015 Goodwill hopes to maintain its ‘Percent Hired from Referral Agency’ metric. This can be accomplished through aggressive outreach to community referral agencies and by holding semi-annual “agency days”. The 2.8:1 ‘Referral Agency Interview-to-Hire Ratio’ is acceptable and Goodwill will continue to strive to maintain it.

In December 2014, Goodwill reviewed its 280 employees (93 male, 187 female) to comply with the 2014 Equal Opportunity Employment (EEO-1) Report. The following table plots Goodwill employees’ ethnic breakdown and compares it to the overall ethnic breakdown of the three counties it currently serves.

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*Note: Kern County and Tulare County demographic information obtained from latest U.S. Census Bureau figures.

Overall, Goodwill did a strong job of providing services to individuals mirroring the ethnic makeup of its service region. However, there is room for improvement in 2015 in outreaching to the Hispanic and African American community. This can be accomplished by making sure all company job openings are posted in English and Spanish, and that Goodwill actively includes community referral agencies which primarily provide support services to Hispanic or African American individuals or families.

VI. CONCLUSION:

2014 was a year of growth as evidenced in the expanding services provided to the California Department of Rehabilitation, one of Goodwill's most important partnerships. Progress in the Hire and Promote Up components of the Transitional Employment Program showed steady progress.

In 2015 Goodwill will continue to utilize its Transitional Employment Program as the primary vehicle to deliver its mission services to the public albeit with a decreased emphasis on "Promoting Out". Hiring & Promoting Up facets of TEP showed improvements over 2013 and we expect to continue to improve results in 2015. Also of importance in 2014 was the opening of the Success Center in the 4th Quarter. The Center will provide job preparation and search services to the public and metrics will be developed to measure the success of the Center in 2015.