

Memo

To: Gregory P. Russ, Executive Director
From: Carolina Lucey, Senior Program Manager, Communications & Policy
Date: 2/25/2011
Re: Harvard Kennedy School – Group Projects

During the Fall of 2010, CHA engaged in a semester-long consultancy project with a group of Harvard Kennedy School students. Fifteen students were divided into three groups that worked alongside CHA staff as consultants in three key areas of CHA's administration. For over eight weeks the groups focused on the following topics:

- Group 1 - Capital Group: Managing Growth in the Capital Program – determining potential impact on CHA's delivery of services and design administrative processes to efficiently manage this growth.
- Group 2 – Housing Choice Voucher Group: Determining Baseline Costs to Issue a Housing Choice Voucher.
- Group 3 – Cambridge Career Family Opportunity Program Group: Framing the Metrics and Areas of Potential Study for the CCFO program, developing options for long-term evaluation.

At the end of the semester, the Executive Director was invited to the Kennedy School for a briefing on each group's final findings and suggestions. CHA expects to foster a relationship with the Harvard Kennedy School and continue offering the opportunity for students to gain real life experience as part of their academic curriculum. Here is a brief summary of the groups' work.

Capital Group:

A business process review was conducted to determine organizational changes needed as a consequence of the increases in funding in the capital program. By examining the management of CHA's transaction accounting processes and tax credit compliance processes, the group suggested to implement a centrally-oriented hybrid model. This model will create a tax-credit compliance unit at CHA central office that will serve as the overseer arm of the agency with all things related to tax-credit regulations.

For example, managers will continue collecting information from tenants at their recertification appointments but all rent calculations will be conducted by the centralized compliance unit. Nonetheless, managers will undergo a routine comprehensive training on tax-credit regulations. The group also suggested CHA eliminates Rent Simplification at tax-credit properties. This recommendation was based on the fact that at some properties, managers may still manage a mixed portfolio of tax-credit and non-tax credit units, which could result in an increased risk of

non-compliance caused by inevitable human error. The elimination of Rent Simplification will then result in a uniform information collection process for both tax-credit and other properties.

CHA is in the process of rethinking the way it does business from its property management to its fiscal functions, in order to adapt to the growth of its tax-credit portfolio. These suggestions are valuable to the agency and provide a welcomed first step in assessing possibilities for organizational reform.

HCV Group:

A thorough review of the Leased Housing Program voucher issuance process was conducted with assistance of various levels of staff. This review resulted in a comprehensive process map that was then used to develop a cost calculator, which will eventually help CHA estimate the monthly administrative cost and the administrative cost per voucher at each level of the six levels identified to be part of the issuance process. This tool can estimate costs based on the staff time spent on each sub-step of the process, number of clients each for which the sub-step is completed each month, and the salary and benefit information for each staff member involved in the process.

Unfortunately, the current structure of teamwork and job-sharing around the voucher issuance process presents a challenge to costing the process out, as the cost of different employees' time varies. There is also not a practice of measuring time in the staff's daily routine. In order to accurately estimate costs, the ability to measure and report staff time is essential.

Hence the group recommendations include the development of a user-friendly non-intrusive tracking tool and the standardization of metrics, so that staff members have a shared understanding of the defined beginning and end of each step of the issuance process with which they are involved.

Once CHA is able to track staff time in an efficient and non-intrusive way for clients and staff alike, the cost calculator will assist CHA in determining potential cost savings and reduce administrative inefficiencies throughout the process. It will also serve as a mechanism to identify and analyze peak periods and lull periods ensuring efficient staff capacity utilization.

CCFO Group:

The full evaluation of the CCFO program is currently done by Crittenton Women's Union (CWU) and its academic partners at Brandeis University and Boston College. CHA on the other hand sought to evaluate the program based on the most prominent areas of the program: housing, assets and employment. CWU'S program model identifies eight "pillars": housing, dependents, health, social support, educational attainment, assets, debts, earning level; which together create the "Bridge to Self-Sufficiency".

The CCFO group evaluated each individual pillar and suggested five different outcome metrics to assess the participants' progress towards the program's self-sufficiency threshold and to help CHA monitor the CFO program from afar. A detailed description of the metrics proposed (self-sufficiency points, incentives earned, problem identification charts, bottleneck analysis, and customer surveys) can be found in the enclosed full version of the group's report.

It may not be efficient or possible to use all metrics proposed, given the staffing and resource limitations. To determine what performance metrics are sufficient to meet the mission objectives, CHA and CWU should weigh the benefits of the data tools against the cost of the data entry and analysis. In addition the group suggested that CHA's ability to compare how program participants would have fared had they stayed in public housing or received a regular voucher subsidy, will be ultimately the best way prove to be the best tool to prove the CCFO program results in self-sufficiency.

This however is currently unfeasible as there is a discrepancy in the amount and type of information that is requested from participants across CHA housing programs. At the same time, the small group of participants in the CCFO program makes it difficult to generate a statistically significant comparison.

CHA will use these findings to work with CWU in generating useful data for both agencies and eventually modify its metrics to better evaluate the program.