



Preparing for System Modeling July 2017

Modeling, making projections about the future size of the population experiencing homelessness, is a powerful strategy for planning and system changes to reduce homelessness. Modeling can help determine how much of each intervention is needed for the populations experiencing homelessness while taking the local context into consideration (such as very low vacancy rates in the housing market). Preparing for modeling work is best undertaken with local data in hand: population and inventory information, program performance information, and information about population dynamics. Working with and thinking through these layers of information allows for the best possible decisions about system improvements. Good modeling reflects the goal sought, the resources available, and the impact of existing and planned efforts.

Modeling system changes is an important tool for understanding the relative importance of each change opportunity – changes that result in the most number of households housed can be prioritized over changes that might appear to be important but will result in smaller scale changes. Focus Strategies offers System-Wide Analytics and Projection (SWAP), a suite of tools that include modeling. The system performance and budget data collection tools are available free of charge and are posted at www.focusstrategies.net/swap. Modeling is a separate set of tools and strategies that Focus Strategies performs for communities and states. Example projects are posted at <http://focusstrategies.net/systems-planning-and-performance-measurement> – the reports we developed for Seattle/King County, WA and Homeward in Richmond, VA include modeling results.

Useful steps to prepare for modeling:

- Carefully consider your community's point-in-time count (annualized PIT is useful, if available). Compare the population with the inventory represented in the Housing Inventory Count (HIC), focusing in particular on population size and inventory for adults, families, transition age youth, and people experiencing chronic homelessness.
- Notice how many households/people are actually served/housed in each inventory type each year – this means looking at Length of Stay and Bed Utilization information to really understand what is happening in the system. Once you have looked at the PIT, HIC, and people served, ask: what looks like it is missing or underdeveloped? What conclusions might you make based on this information? In particular, identify why the programs/interventions you have are not sufficient to meet the need.
 - It is common, when this information is not well understood, for community leadership to believe that an intervention is needed that may not be helpful in reducing homelessness. As an example, when unsheltered homelessness is on the rise, often leaders conclude additional shelter is important. This is a case where what appears to be the immediate solution may or may not be supported when looking at multiple types and pieces of

information. In your own community, what conclusions might be drawn that, given more nuanced and better understood system information, might point to a different solution?

- Think about whether/how your number of people served can be improved even without new resources. Have you looked at performance by projects to see if you have outliers – bright spots to be replicated or seriously underperforming projects to consider reallocating or improving?
- Consider how the size (number of beds or slots) of interventions can be optimized for each population type – do you need performance improvement because a few programs are low-performing? Or do you need new resources targeted to an underserved group?
- Think about population, capacity and investments, all together. Consider the distribution of resources given the sizes of the different population groups. Then also consider system performance. For example, if new entries are high for a particular population that has an array of program beds that can handle that population volume, consider investing in diversion and tracking performance. If diversion is successful, consider reallocating beds for that population to a population that does not have enough resources. In other words, think about getting to functional zero for all populations by moving resources strategically.
- Regardless of the state of the housing market or other factors that are generally beyond the control of the homeless system leadership, ask yourself What other performance improvement efforts can be made? How do we house every person possible with the resources available?
- Review investments – is every dollar spent effectively? If not, or if you are not sure, what analysis or improvement can be conducted?

For further consideration:

How will you know when you have reached functional zero for all populations? How will you know if your system design is preventing key steps on that path (i.e. lengths of stay are too long, diversion efforts are not yet in place, coordinated entry improvements are needed)? Is it possible your community has enough resources and strong enough performance for any particular population that some strategic shifts could mean success? How would you use each layer of this information to understand the answers to these questions? This question is not specifically about applying a particular national methodology for determining whether you have reached functional zero, it is more about thinking through the population dynamics in your community as they relate to the local inventory, program and program type performance, and system performance.

Finally:

Modeling brings together what is known about the population of people experiencing homelessness, bed and unit inventory, system performance, and system goals to help chart a path forward. The most important tip is to embrace the complexity and interrelationships of the data and focus on overall system improvements, not isolated changes impacting one program or another. Performance analysis and modeling are powerful tools to support system planning, not a substitute for leadership. To be successful, the community leadership must use the analysis and modeling results to bring all stakeholders along in understanding the results and taking action to implement the shifts indicated.