CASE STUDY

ACHIEVA & the Cohort How One Nonprofit Learned Its -conomic Impact





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Introduction

In 2014, The Forbes Fund partnered with the United Way of Southwestern Pennsylvania and The Pittsburgh Foundation to sponsor an economic impact analysis of the nonprofits sector in Allegheny County, Pennsylvania.

The project was a success and the results served to demonstrate, with objective data to back it up, that the collection of participating small to medium-sized nonprofits supported nearly \$5 billion dollars in annual wages paid, and over 100,000 jobs throughout the local economy. The study defined small to medium-sized nonprofits as groups with budgets of \$100 million or less.

While the effort was a success overall, individual community nonprofits that had been included in the roughly 2,000 organizations featured began asking about their own economic impact in the region.

BACKGROUND

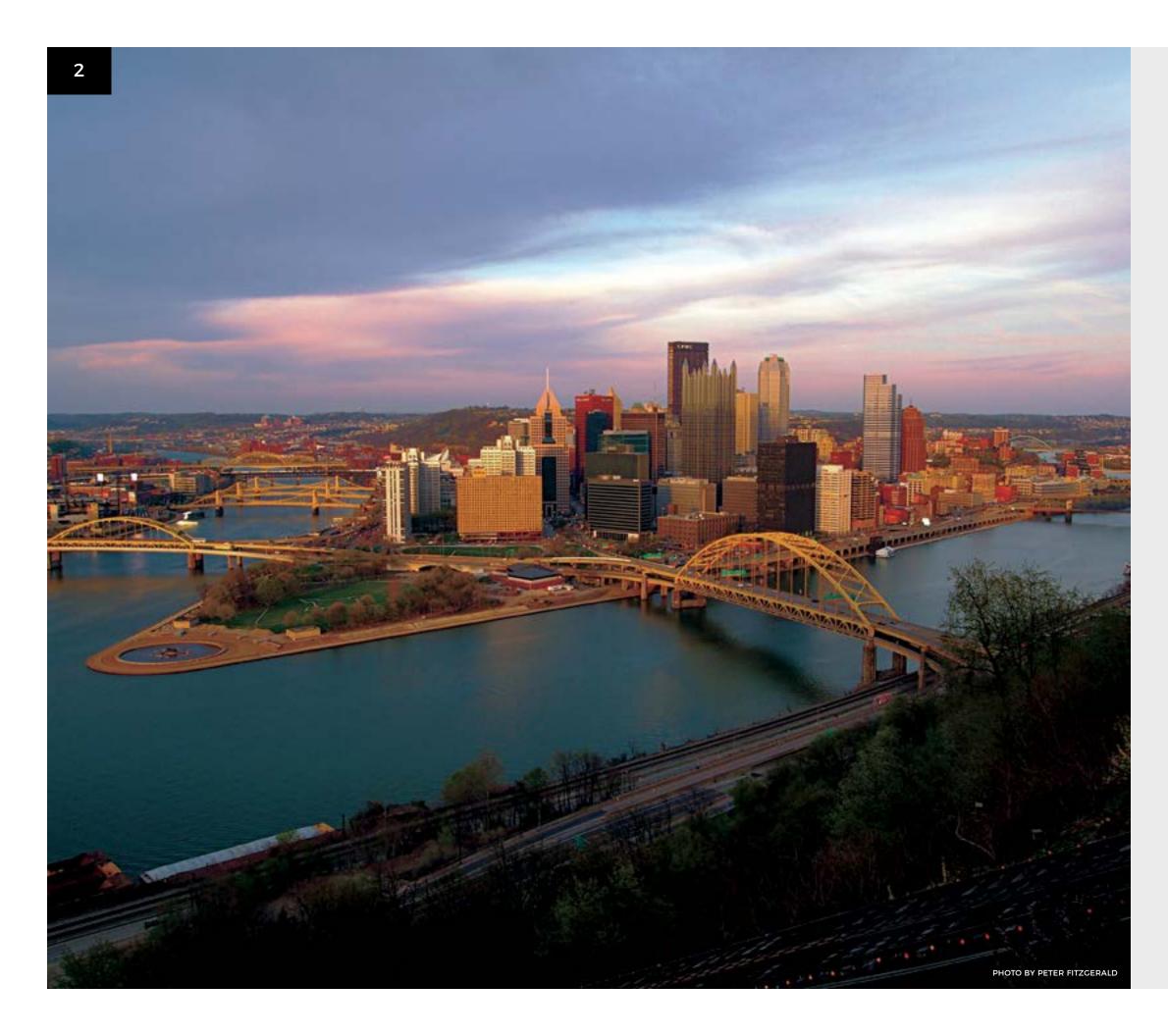
ACHIEVA is a nonprofit organization in southwestern Pennsylvania that provides lifelong support for people with intellectual disabilities and developmental delays. Supporting more than 12,000 individuals and their families, ACHIEVA offers services ranging from vocational training, early intervention therapies, and in-home support, to older adult protective services for medically fragile senior citizens.

Faced with the task of providing those groups with a data-devised, quantified profile of their contributions, the decision was made to measure a cohort of focused agencies in a follow-up project, which would ultimately provide them with personalized reports detailing their individual impacts.

With nearly 50 organizations expressing interest in participating in the cohort, but with limited availability, the groups selected were offered a unique and valuable opportunity. One of those organizations was ACHIEVA.



Volunteers participate in the United Way's #DayOfAction at Fowler Park in partnership with The Pittsburgh Project and Pittsburgh Marathon on Saturday, 11 July 2016.



The Problem

Small to mediumsized nonprofits are frequently perceived as being of little economic influence throughout their respective communities.

The project was a success and the results served to demonstrate, with objective data to back it up, that the collection of participating small to medium-sized nonprofits supported nearly \$5 billion dollars in annual wages paid, and over 100,000 jobs throughout the local economy. The study defined small-to-medium sized nonprofits as groups with budgets of \$100 million or less.

The Solution

The second economic impact analysis performed was sponsored by The Forbes Fund, the United Way of Southwestern Pennsylvania, Neighborhood Allies, and Allegheny County Health Choices, and consisted of 10 Allegheny County community focused nonprofits. The cohort quantified the effects of the direct spending of each participating agency, but also estimated the multiplier effects of those organizations' spending and employment on the local economy.

For ACHIEVA, this meant that the study would capture and quantify the effects of both the spending of their organization directly (Direct Effects), but also the secondary, ripple ef-

fects of that spending by capturing the spending of that same money by additional business and their employees (Indirect and Induced Effects). Thus, thanks to their participation, ACHIEVA had the opportunity to contribute to a project which served to promote importance of the nonprofits sector throughout Allegheny County, but which also served to promote the degree to which the local economy benefits from the work of ACHIEVA itself.

Upon the project's culmination, ACHIEVA possessed a collection of accurate, reliable, and relevant metrics with which to support their claims and appeal to more legislators, policy makers, and private donors.

The Results

What exactly did this do for ACHIEVA? What kinds of benefits did the organization enjoy thanks to economic impact analysis?

First, having obtained the quantifiable evidence to demonstrate its own impact on the local economy, ACHIEVA gained a more powerful stance with which to leverage for increases in government grants.

MEET THE COHORT





















Secondly, having obtained that knowledge and corresponding data, ACHIEVA improved its power to lobby for more beneficial legislation during its continued dealing with legislators.

Finally, and perhaps most importantly, the economic impact analysis provided ACHIEVA with a foundation upon which to establish meaningful and effective measures of the organization's personal value.



Carnegie Library of Pittsbugh Beechview celebrated its grand reopening to the public on July 18, 2015. The renovation includes a children's room with reading nook, a dedicated teen space, comfortable places for adults, and a brand new meeting room for community gatherings.

The Takeaway

The value of economic impact analysis is known throughout the nonprofits industry, but has historically been a privilege limited to those with large budgets or access to specialized consultants. However, today, economic impact analysis can be performed for a reasonable price, and by organizations themselves. IMPLAN is a tool that makes economic impact analysis accessible to groups of any size or budget.

Year after year nonprofits and other small organizations across the country are feeling the pressure to prove their value and and make the importance of their operations known. For decades, IMPLAN has proven to be instrumental in giving these groups the power to do so by making economic impact analysis accessible and easy to perform. Plus, with economic data that is constantly being vetted by industry-leading research analysts, IMPLAN provides these small organizations with metrics that are easy to present to stakeholders with confidence.

After successfully advancing their rapport with important contributors and constituents thanks to this strategy, ACHIEVA became just one of many groups who've experienced the benefits of such analyses in furthering their cause and serving their communities most effectively. Using economic impact analysis with IMPLAN, small groups like ACHIEVA can finally assert themselves with data-devised evidence of the degree to which their local economies rely on them.

Focus on the Economic Impact of **Allegheny County Nonprofits**

TEN ORGANIZATIONS SERVING AS SOCIAL & ECONOMIC CONTRIBUTORS

SECTOR SECTOR A 2014 study commissioned by the Forbes Funds quantified the economic impact of community collective economic impact of over 2,000 industry, supported \$9 billion of economic output and more than 100,000 jobs. Annual Economic Impact of immunity-Focused Monprofits IN ANNUAL WAGES

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WORKFORCE

IN LOCAL AND STATE TAXES PAID

The research consisted of nearly 2,000 organizations with budgets enter \$100 million that include everything from food pentries and help veteram find lobs or ravitality blighted neighborhoods.

focused nonprofits in Allegheny County. The organizations, a sub-sector of the nonprofit

COHORT

SALARIES AND SPENDING GENERATE

ECONOMIC IMPACT

The multiplier includes indirect effects, or the supply chain "ripple effect" that occurs as local organizations increase operations to meet demand as well as the economic activity that occurs as employees spend money in the community on everyday purchases.



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Detailed Cohort Findings

70% of the cohort's spending was in the form of employee and proprietor compensation, solidifying the role of nonprofit organizations as essential regional employers.





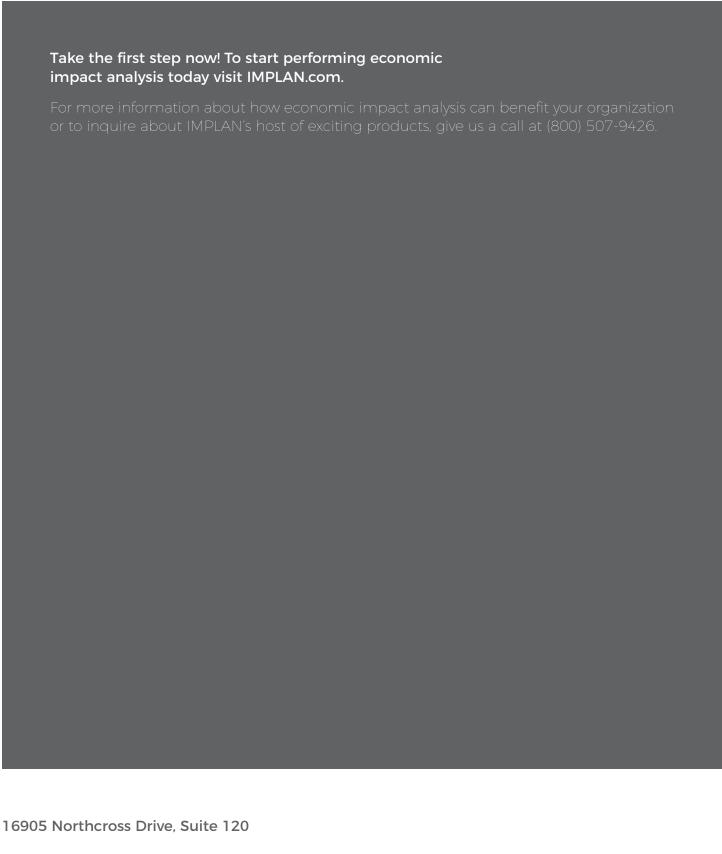


HE FORBES FUNDS





To learn how you can quantify your organization's value and increase your funding today, download 3 Steps to Increase Your Nonprofit's Funding at info. implan.com/3-stepsto-increase-yournonprofits-funding



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