

AmeriCorps Office of Research and Evaluation

Building the Evidence Base of AmeriCorps Programs: Return on Investment Studies

December 2020

Welcome

Return on Investment Studies



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What does the Office of Research and Evaluation (ORE) do?



Coordinates with AmeriCorps Programs to:

- **Inform** the development and implementation of programs and initiatives with evidence;
- **Measure** the performance and results of programs and initiatives through research and evaluation;
- **Build** knowledge about the effectiveness of national service and volunteering as solutions to community needs using scientific methods;
- **Encourage** a culture of learning and continuous improvement within the agency and within the nonprofit organizations AmeriCorps funds; and,
- **Shape** key agency policy and program decisions using credible data.

Interest in Return on Investment (ROI)



Examples of Questions:

- Are there short-term or intermediate term outcomes from the programs or program models that can be measured and attributed to the program?
- Can the outcomes be monetized to calculate a financial return?
- Can the costs of the program per participant or otherwise be estimated?
- Can we estimate the Return on Investment (ROI) for the programs we implement or support?

Return on Investment Analyses



- ORE partnered with ICF to conduct a series of ROI Analyses
- ICF conducts feasibility studies and produces ROI studies
- They will present findings on four studies conducted in 2019-2020
- ORE intends to commission more ROI studies in the coming years and support the capacity of our programs and partners to increase their readiness for ROI analyses

How do I stay informed?



- Sign up for ORE newsletter!
- Email us at Evaluation@cns.gov!
- Check out Evidence Exchange (AmeriCorps Evidence Library) on our website for ROI Reports!
- Participate in our future webinars and Research Summits!

Speaker

Return on Investment Studies



Dr. Janet Pershing

Vice President

Housing & Community Development, ICF

Agenda



- Define return on investment (ROI) and review ROI research on national service programs
- Review an ROI case study: Community Technology Empowerment Program
- Consider how to build the foundation for an ROI study
- Consider how to find ROI-ready programs

Defining Return on Investment (ROI) and Reviewing ROI Research on National Service Programs

About Return on Investment



$$\frac{\text{Total Benefits}}{\text{Total Costs}} = \text{ROI}$$



ROI Research on National Service



- Columbia University (2013): The Economic Value of National Service (Voices for National Service & The Aspen Institute)
- ICF (2020): AmeriCorps and Senior Corps, Quantifying the Impacts (Voices for National Service)
- AmeriCorps ROI Studies Initiative

2020 ROI Studies – Selected Programs



General Results



The four AmeriCorps ROI Studies Initiative studies produced to date:

- Reflect diversity within AmeriCorps' program portfolio.
- Use conservative methodologies.
- Use short-term, medium-term, and long-term scenarios to estimate the duration of program effects.
- Show positive ROI results across all scenarios.

Case Study: Community Technology Empowerment Program

About Community Technology Empowerment Project (CTEP)



- Implemented by the St. Paul Neighborhood Network (SPNN)
- Addresses the digital divide in the Minneapolis–Saint Paul metropolitan area
- AmeriCorps members:
 - Teach informal classes.
 - Provide one-on-one mentoring and training in computer and technology labs.
 - Certify participants in technology skills.



CTEP Evaluation Results



- **10.3 percent** of participants who were unemployed before starting the CTEP program indicated that CTEP helped them become employed.
- **\$30,763** was the average annualized earnings for CTEP program participants who were unemployed pre-program and employed post-program.

Source: Backman, D. (2018). 2018 Evaluation Report: Impact of the Northstar Assessment & Related Computer Skills Programming on Employment in CTEP Programs. Retrieved from https://www.nationalservice.gov/sites/default/files/evidenceexchange/SaintPaul_19AC208840_Report_Revised_508%20%281%29.pdf

Community
Technology
Empowerment
Project




spnn

CTEP Beneficiaries



CTEP Program Participants

- Increased earnings

AmeriCorps Members

- Stipends, living allowances, and education awards
- Increased earnings post-service

Federal, State, and Local Government

- Tax revenue from increased earnings
- Reduced spending on corrections, public assistance, social insurance.

CTEP ROI Results



ROI Calculation	ROI Scenario		
	Short-Term	Medium-Term	Long-Term
Total Benefits per Federal Dollar	\$4.58	\$33.35	\$53.20
Total Benefits per Funder Dollar	\$2.95	\$21.48	\$34.26
Federal Government Benefits per Federal Dollar	\$1.30	\$7.39	\$11.60

CTEP ROI Results – Medium-Term Scenario



ROI Calculation	Medium-Term ROI Estimate	Results Statement
Total Benefits per Federal Dollar	\$33.35	The ROI analysis estimated that every dollar of federal government investment generates \$33.35 in benefits.
Total Benefits per Funder Dollar For AmeriCorps-supported programs, funders can include: <ul style="list-style-type: none">• Federal, state, and local government agencies• Foundations and other philanthropies• Private donors• Community organizations	\$21.48	The ROI analysis estimated that every dollar of funder investment generates \$21.48 in benefits.
Federal Government Benefits per Federal Dollar	\$7.39	The ROI analysis estimated that every dollar of investment by the federal government generates \$7.39 in benefits to the federal government alone.

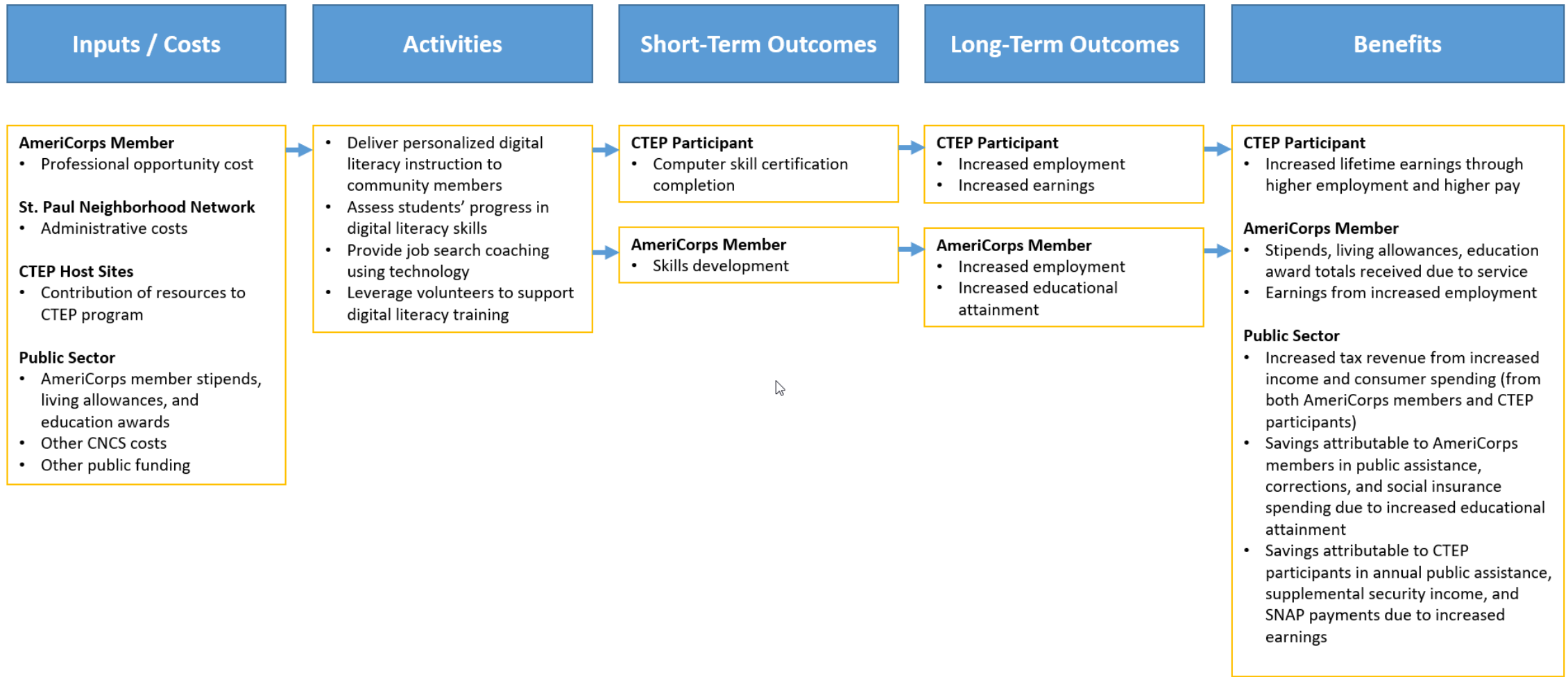
Building a Foundation for an ROI Study

Foundational Steps



- Step 1: Use a Logic Model.
 - Identify outcome metrics.
 - Identify costs and cost metrics.
 - Identify benefits.
- Step 2: Do a feasibility study.
- Step 3: Compile and collect data.
- Step 4: Estimate and monetize benefits and costs.
- Step 5: Calculate ROI.

Step 1: Use a Logic Model (CTEP Example)



Step 2: Do a Feasibility Study



- Includes an analysis plan
- Includes a list of required data and data collection plan
- Serves as a check on feasibility before making investments

Step 3: Compile and Collect Data



- May include data already in hand from operations and from past evaluations
- May include data that needs to be collected
- May include public datasets

Policies about participant privacy still apply!

Step 4: Estimate and Monetize Benefits and Costs



- Leverage rigorous research that connects data to outcomes and estimates the value of outcomes.
- Adjust dollar values for different benefits for a common year.

Step 5: Calculate ROI



- An “All In” ROI calculation includes all captured benefits and all captured costs.
- Also explore multiple ROI calculations that are:
 - Restricted to a particular group of stakeholders.
 - Restricted to a particular funding source.
- Sample ROI calculation:

$$\text{Total Benefits per Federal Dollar} = \frac{\text{Benefits to Participants} + \text{Benefits to AmeriCorps Members} + \text{Benefits to the Government}}{\text{Federal Funding}}$$

Finding ROI-Ready Programs

Finding ROI-Ready Programs



- Help build evidence of the impact of national service by:
 - Encouraging grantees to conduct rigorous evaluations that measure near-, medium-, and long-term outcomes and to capture program costs.
 - Suggesting programs that may be ROI-ready to the AmeriCorps Office of Research and Evaluation.

Questions? Discussion?



- For more information or to suggest a program for an ROI study, contact Lily Zandniapour (LZandniapour@cns.gov), AmeriCorps Office of Research and Evaluation.

Speaker

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Closing Remarks

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Closing Remarks

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