

Proven Return on Investment: Demonstrating the Impact of Allegany College of Maryland

Emsi Case Study ([See Full Archive](#))

Summary:

In the last few years, [Allegany College of Maryland \(ACM\)](#) has developed a reliable way to demonstrate its value. It's a practice that has proven to be crucial in maintaining steady funding. The concept is simple: prove that ACM is worth investing

in by leveraging its regional economic impact. Emsi's [Economic Impact Study](#) (EIS) provides data that speaks to a wide audience, and underscores ACM's value.



Key Takeaways:

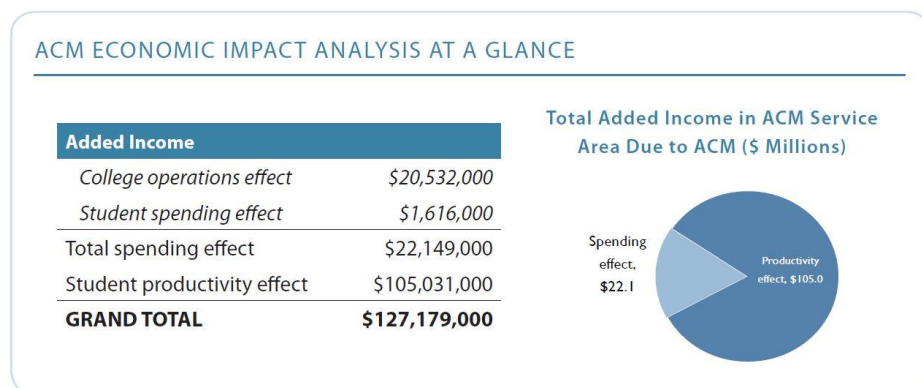
- Despite shrinking funding pools, ACM has maintained a steady budget by using third-party data to prove the college makes a difference in the community and in students' lives.
- ACM engages current and potential donors by showing them defensible impact information that justifies investment in the college.
- By leveraging both stakeholder surveys and its regional economic impact, ACM found the sweet spot for outreach campaigns.

Confidence in Numbers

"We love Allegany College of Maryland; after seeing this, we love you even more." This is the kind of feedback David Jones has received when sharing ACM's regional impact. He uses three perspectives from the EIS: social, student, and taxpayer. "And we've had a lot of good, good success because of that. I work with grants, alumni, foundations, and governmental relations, and I found the study to be enormously helpful in each of those areas," says Jones, vice president of community relations and executive director of the ACM Foundation.

"When you see things like the social perspective, the government's 4.3% rate of return, and you see the students enjoying a 15% average return on their investment in under 10 years, those are the kind of numbers that really stand out to a lot of our donors."

In Jones' experience, when potential donors see clear and concise data on ACM's impact, combined with student stories and testimonials, they realize that ACM is a sound investment. Jones quoted one donor as saying "as long as you're providing these kinds of results, I want to keep giving at a significant level."



Cultivating confidence in donors is just one way that ACM uses objective third-party data. The college also uses these numbers to foster confidence in staff and faculty; it's easier to believe in your institution's value when there is relevant and reliable data pointing to a substantial regional impact.

Cynthia Bambara, ACM's president, has also seen success by presenting data on the college's return on investment from different perspectives. In budget negotiations, having that information bolsters the college's position and serves as a confidence booster.

"[The EIS] gives me the data I need to support or validate what I'm asking for in terms of county funding," relates Bambara. "Meeting with the county and being able to present them a packet that includes this information—it gives them the data necessary when they have to make an argument to their colleagues about why this money's really important for students in their area."

How Allegany College of Maryland Proves It Is "Making A Difference"

When ACM presents its budget request, the major question at hand is: "How do you know the college is making a difference?" To justify use of the state's money, delegates need solid evidence that an investment in the college is worthwhile—that the college benefits its 3,000+ student body and the surrounding community.

One way ACM answers that question is surveys. The college tracks [several statistics](#) to understand how well it is serving students. Classroom instruction is rated as "good" or "very good" by 94% of ACM graduates.

The surveys aren't limited to just students; ACM also reaches out to employers. The college's strength in job placement is highlighted here, as 100% of employers that responded to the survey said they were "likely" or "very likely" to hire ACM graduates again. Satisfaction like this is why the Brookings Institution ranked ACM among the [top-20 "value-added" colleges](#) in the nation.

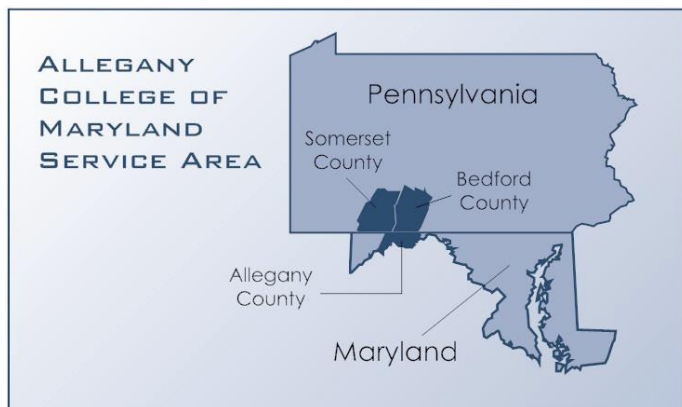
ACM also proves its value with data from the EIS, clearly communicating salient information. For example, for every dollar of state and local tax money invested in ACM today, Maryland residents will see a cumulative yield of \$12.40 in benefits. Those benefits take the form of variables like taxable income and avoidable social costs.

ACM INVESTMENT ANALYSIS AT A GLANCE

Stakeholder	Rate of Return	Benefit/Cost	Payback (Years)
Student perspective	15.2%	4.5	9.6
Social perspective	NA	12.4	NA
Taxpayer perspective	4.3%	1.3	22.4

By combining data from surveys, the EIS, and student testimonials, ACM presents a compelling case for itself. Each part of that presentation is important and has a role to play. ACM positions the EIS as objective third-party data, which makes ACM's funding efforts more defensible.

"This is independent data that shows the impact of the college in our community. Instead of saying, 'we make a big difference, and I can tell you because of Suzie and John...' This is more concrete data. It helps make the case to further support the college, or at least keep support at the same level as in the past," says Bambara.



Indeed, ACM has managed to keep the same level of funding for years, despite shrinking funding pools. That's largely because ACM's data is fine-grained and provides actionable insight. "The detail and credibility of [the EIS]—it drills down so much deeper than just saying how many employees you have that are spending their salaries in your community," relates Bambara.

ACM's outreach campaigns are successful because they help others internalize what the college means to the region. "We can say all the right words about the importance of the college, but when you provide them data, specifically about the economic impact, that's when I see eyebrows starting to come up. 'Hey, our investment of eight million dollars in this county really does have an impact,'" says Jones.

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