

Identifying Impact + Value Guide



Purpose

Guide to investigate and show the impact and value of an initiative to your institution and key stakeholders

Who this is for

- Project Leads

When to use

Researching and learning

Proposing the initiative

Planning and scoping the initiative

Considering renewal or scaling

Introduction

Tangible Impact Guide

Intangible Impact Guide

Tangible Impact Guide

Why is this tool important?

Determining tangible impacts is essential for clearly demonstrating how your initiative contributes to measurable institutional goals, making it easier to align your project with KPIs and secure stakeholder support. Tangible impacts refer to effects or outcomes that can be easily quantified or measured in concrete, numerical terms. These impacts are often associated with physical or financial assets and can be directly tracked through data. Examples of tangible impacts include increased revenue, cost savings, operational efficiencies, or other measurable metrics from a transformation initiative. These quantifiable measures can be more directly linked to an institution's bottom line.

1

What is the desired impact of your initiative?


See the Resource—Examples of Quantifiable Impacts below to understand what data can be quantified and calculated financially.

If your initiative is predetermined, focus on identifying any additional potential impacts or skip this step.

2

Research your institution’s funding model and consider the inputs needed to measure your initiative’s impact.

Review the [Example Inputs to Consider](#) portion of the Activity below for inspiration.

 Resource

[Download resource](#) ↓

Examples of Quantifiable Impact

Net Revenue – Impact on Institutional KPIs

Increase in Enrollment

- Initiative aims to increase newly registered degree-seeking students
- Initiative aims to increase newly registered non-degree-seeking students
- Initiative aims to increase enrollment in underrepresented populations
- Initiative aims to increase in retention of underrepresented populations

Increase in Average Student Credit Hour Load

- Initiative is designed to persuade students to take 15+ credit hours each term to increase tuition revenue

Increase in Retention

- Initiative aims to improve students’ sense of belonging to improve retention
- Initiative aims to reduce the number of students who fully withdraw from the college expecting W grades, refunds, etc.
- Initiative aims to increase the retention of underrepresented populations

Increase in State and/or External Funding

- Initiative aims to increase graduation rates for STEM majors, which can trigger more state funding
- Initiative can lead to an increase in scholarships and grants awarded to institutions as a result of students achieving higher GPAs
- Initiative can lead to increased state funding through retention increases in general or for specific student populations

Efficiency Improvements

Savings from Credit Hour Completion Rates

Savings from Operational Efficiencies

- Initiative aims to improve course pass rates in key courses to decrease the number of students repeating that course and the number of sections offered in subsequent semesters to decrease faculty costs

- Reduction in costs due to better operational efficiency (e.g., technology upgrades)

Quantifying Initiative Impact

Once you understand what you want to measure quantifiably throughout your initiative, it's time to involve your institutional research and budget/financial offices to help you with calculations, research your institution's funding model, and collect the inputs needed to measure your initiative's impact.

Guiding Actions

1 Ask your IR and Budget/Financial offices to help you calculate the following:

Net Revenue from Impact on Institutional Key Performance Indicators (KPIs)

- Increase in Enrollment: What does an increase in enrollment of one student mean in financial terms?
- Increase in Retention: What does an increase in retention for one student mean in financial terms?
- Increase in Average Student Credit Hour Load: What does an increase in average student credit hour load mean financially?
- Increase in state/external funding: How much more state/external funding would it mean per student if we increased the relevant KPI by one student?

Estimating Cost Savings from Efficiency Improvements

- Savings from Increase in Credit Hour Completion Rates: How much would we save if we increased credit hour completion rates?
- Cost reduction due to better operational efficiency: How much would we reduce our costs if we implemented this operations change (e.g., technology upgrades)?

2 Determine the financial impact of your initiative:

The following formula can help you estimate how an initiative might impact the institution during the proposal stage and can help you quantify the financial impact of an initiative upon its completion. Before your calculation, be sure you know how many students or participants are enrolled in your initiative.

Potential ROI for Initiative =

(Impact of increase in KPI per student) x (# of students/participants utilizing or enrolled in the initiative)

3 Research your institution's funding model:

Who knows your institution's funding model? (e.g., Finance, Business Office, IR, etc.)

Who are the key players?

Are there any state-level funding considerations to take into account?

4 Ask your institutional research or business/financial office contacts if there is an existing tool or model for revenue/financial impact at your institution that you could use for your initiative.

If yes, skip to action #5 below. If no, see the [Resource – Tools for ROI & Funding Models](#) section below for examples. However, before using any external tool, confirm the tool is supported and trusted by senior leadership, your budget office, and the institutional research department.

5 Collect the information you need for the tool or model:

Consider the following examples of inputs for revenue or financial impact in your tool or model.

Example inputs to consider

Initiative Funding

- Institutional budget allocation
- State and local
- Grant funding (e.g., foundations, etc.)
- Other sources


Initiative Expenditures

- Personnel expenditures
- Operating expenditures
- Cost per student utilizing/enrolled in the initiative
- Total cost of students utilizing/enrolled in the initiative

Institutional/Unit Inputs

- Student credit hours
- Retention rate by demographic
- Total expenditures
- # of students enrolled in/utilizing the initiative
- Grades
- Faculty FTEs
- Completion hours per semester
- Grade Point Averages (GPAs)
- Potential reach: # of eligible students/total institutional enrollment

- Actual reach: # of students utilizing or enrolled in initiative/total institutional enrollment
- Total institutional enrollment
- Enrollment by demographic
- Graduation rates by demographic
- # of students eligible for the initiative
- Tuition and fees
- State and local appropriations revenue

 Resource

Tools for ROI & Funding Models

ROI

- [Educause ROI Calculator](#)

Funding Models

- [Lumina Issue Paper on Funding Models](#)
- [Ithaka S+R "An Overview of State Higher Education Funding Approaches"](#)

- [6 Alternative Budget Models for Colleges and Universities – Hanover Research](#)