



In 2018, the ADC hired Wilder Research to assess the economic impact of its programs and services for participants, and the potential impact on local economies where participants live and/or operate businesses. The evaluation findings are based on information from ADC client information from 2014-2016 and evidence from previous research on the impact of comparable programs.

Business lending

The ADC business lending program is a comprehensive service to help clients to plan, start, or expand their businesses. The program provides education via one-on-one and group advising, and a small business loan program and assistance finding funding sources that fit business plans. The following positive economic changes for participants were observed based on program participation in 2014-16:

BUSINESS LOANS SUMMARY STATISTICS (2014-2016) 3-YEAR TOTAL

Number of clients (duplicated)	62
Number of loans (multiple sources)	100
Value of loans	\$1,669,281
Average value per loan	\$17,384
Total value of projects	\$3,195,830
Average value of project	\$51,739
Leverage (loans/project value)	34%

INCREASE IN REVENUES (2014-2016), 3-YEAR AVERAGE

Average additional revenues created	\$47,112
% increase in revenues	62%

Financial coaching

The personal financial coaching service at ADC targets Minnesota's African immigrants who are struggling to manage their finances. According to (Theodos, et al (2015) evaluation on the impact of financial coaching programs, the following positive outcomes are expected as a result of ADC's services:

THE EXPECTED POSITIVE OUTCOMES OF FINANCIAL COACHING INCLUDE:

Total additional value of account balances (2015-2016) (N=204)	An average participant reduces debt by	Financial coaching decreases all debts by	Collective debt reduction (2015-2016) (N=204)
\$641,454	\$11,396	18%	\$2,324,711

Other benefits to community

We estimate that each loan provided or facilitated by ADC is associated with about 1.8 additional jobs created within the clients' businesses.

With a total of 100 loans, about 180 new jobs were generated by ADC's clients between 2014 and 2016.

These jobs imply approximately \$288,000 in additional income and benefits for the employees.¹ Most of this income was spent in the community to purchase goods and services and pay taxes, thus they contribute to the indirect benefits to the community generated by ADC.

¹ Assuming an hourly wage of \$8, an average of .75 full time equivalent average for each new job, and benefits with value of about 25 percent of wages.

References

Theodos, B., Simms, M., Treskon, M., Stacy, C., Brash, R., Emam, D., . . . Collazos, J. (2015). *An evaluation of the impacts and implementation approaches of financial coaching programs*. Washington, DC: Urban Institute.

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