

The Economic Impact of Hamilton County Human Services Chamber

Prepared For
the Human Services Chamber



Human Services Chamber
of Hamilton County

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| EconomicsCenter

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I. Purpose

Economic impact figures represent the effects that a given business or organization's economic activities have upon a surrounding community. The dollars spent by an organization and its employees circulate within a local economy by being spent on goods and services provided by local businesses, which are in turn spent at other establishments and by local households.

The economic impact of the Human Services Chamber on Hamilton County's economy in 2014 are laid out in the following sections.

II. Methodology

The Economics Center calculated the impact of the Chamber's members using employment and wage data provided to the Ohio Department of Job and Family Services. These data were then run through an input-output model, which measures goods and services measured in each industry and the use of those goods and services by other industries and households.

Input-output models give a picture of the direct and indirect impacts of a given business or organization. The direct impacts of the Chamber's members are measured in terms of the total number of employees in all 32 organizations and in terms of the wages paid to those employees. In turn, those wages support jobs and spending in other industries, which are the indirect impacts of a given organization's activity. Finally, the direct and indirect impacts of inter-industry relationships create induced impacts of due to the spending of private households.

Multipliers are figures that represent all the inter-industry and household economic relationships measured in the input-output model. For every dollar spent by a given organization in a particular industry, multipliers reflect how many more dollars will be spent in a local economy by other businesses and households, thereby determining the total economic impact of an organization. The multipliers reflect two sets of economic impacts: First, the direct effect number of jobs and wages; and second, the final effects, which add the indirect and induced impacts the direct ones.

For this project, multipliers were derived from an input-output model created by the Bureau of Economic Analysis (BEA), a part of the U.S. Department of Commerce. This model, its constituent tables, and resulting multipliers are part of the BEA's RIMS II project (Regional Industrial Multiplier System), which covers both the state and county levels throughout the United States.

Each industry in a given locale has its own multiplier, reflecting its relationship to the rest of the local economy. The 32 members of the Chamber represent 14 different industries, and

applying the relevant multipliers for each industry allowed the Economics Center to give a realistic picture of the economic impact of the Chamber’s operations.

For instance, Dress for Success Cincinnati has an industry code of 624190, or Individual and Family Services; this industry has a final-demand output multiplier of 1.91, which means that for every \$1 million spent by that industry in Hamilton County, another \$910,000 of economic activity results. Additionally, this industry has an employment multiplier of 20.9; so, for every \$1 million spent in Individual and Family Services, approximately 30 jobs are supported annually.

III. Economic and Fiscal Impact of Hamilton County Human Services Chamber Members

The calculated economic impacts of the Chamber’s 36 member’s activities in 2014 are laid out in Table 2. The member organizations, listed in Table 1, paid out \$209 million in wages to their 8,202 employees, and engaged in an almost **\$623 million** of economic activity.

Table 1. Hamilton County Human Services Chamber Member List

4 C for Children	GLAD House
Alzheimer's Association of Greater Cincinnati	Greater Cincinnati Behavioral Health Services
Big Brothers Big Sisters of Greater Cincinnati	Interfaith Hospitality Network of Greater Cincinnati
Beech Acres Parenting Center	JVS Career Services
Center for Chemical Addictions Treatment	Legal Aid Society of Greater Cincinnati
The Center for Independent Living Options, Inc.	Lighthouse Youth Services
The Central Community Health Board of Hamilton County	Mercy Neighborhood Ministries
Cincinnati-Hamilton County Community Action Agency	Ohio Valley Goodwill Industries
Cincinnati Union Bethel	Our Daily Bread
Cincinnati Works	People Working Cooperatively
The Children’s Home of Cincinnati	Santa Maria Community Services
Council on Aging of Southwestern Ohio	Society of Saint Vincent de Paul
Crayons to Computers	Talbert House
Dress for Success Cincinnati	Urban Minority Alcoholism and Drug Abuse Outreach Program
Easter Seals Tristate	The Visiting Nurse Association
First Step Home	Wesley Community Services
Freestore Foodbank	YMCA of Greater Cincinnati

In turn, the Chamber’s indirect activities supported an additional 5,269 jobs in 2014, for a total of 13,471. However, it must be noted that RIMS II multipliers are unable to differentiate strictly between full- and part-time jobs; rather, these jobs represent an average of full- and part-time

positions. This is not a problem for most of the industries represented by the Chamber’s members, but when looking at the indirect jobs supported one should keep in mind that those 5,269 jobs include both accountants and fast-food workers.

Spending by the Chamber’s members enabled a further **\$659 million** of spending by other local businesses and households, resulting in a total of nearly **\$1.3 billion of economic activity** in Hamilton County directly and indirectly resulting from the Chamber’s activities. Overall, the Human Services Chamber’s supported economic activity more than twice their 2014 expenditures. Those activities support a total of **13,471 jobs**, with an average wage of \$24,468, resulting from direct expenditures, indirect purchases of goods and services by other industries, and the induced spending of households in the county’s economy.

Table 2. The Economic Impact of Hamilton County Human Services Chamber Operations Impacts

	Cincinnati	Hamilton County, less Cincinnati	Hamilton County
Direct			
Output	\$461,641,000	\$160,905,000	\$622,545,683
Earnings	\$209,888,000	\$2,388,000	\$212,276,272
Jobs	8,055	147	8,202
Indirect			
Output	\$656,457,000	\$2,653,000	\$659,110,781
Earnings	\$116,012,000	\$1,321,000	\$117,332,550
Jobs	5,264	5	5,269
Total			
Output	\$1,118,098,000	\$163,558,000	\$1,281,656,464
Earnings	\$325,900,000	\$3,709,000	\$329,608,822
Jobs	13,319	152	13,471

Based on the 2.1% earnings tax in the City of Cincinnati, City members of the Hamilton County Human Services Chamber generated over **\$6.8 million dollars**. City of Cincinnati employment and wages made up over 98% of the total earnings for all Chamber members employment. Hamilton County received approximately \$163 million in round-by-round effects from Chamber activities whereas it received \$3.7 million in indirect earnings benefits.

The background of the entire page is a photograph of a clock tower with a dome and a weather vane on top. The tower is partially obscured by large, out-of-focus autumn leaves in shades of yellow and orange. The sky is a pale, clear blue. The overall tone is soft and academic.

About the Economics Center

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