

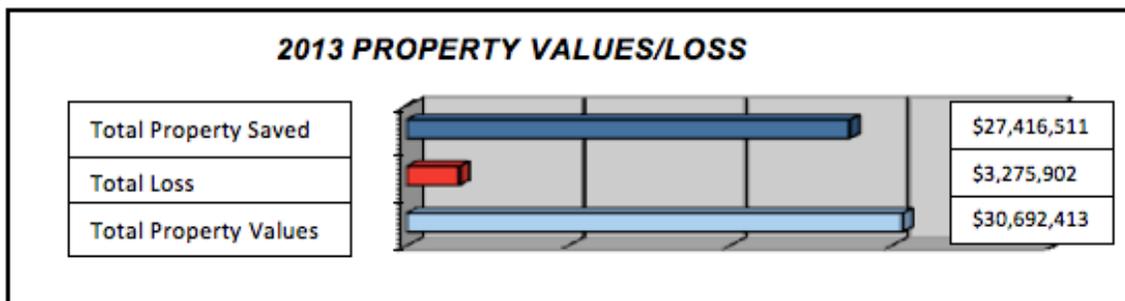
How to Demonstrate Your Agency's Economic Impact

By: Pat Lynch, Ph.D., President

Demonstrating the value your agency provides need not take a large investment of time or money. One of the most persuasive ways for public safety organizations to highlight their value is to quantify the impact they have on the community's safety, health, and economic viability. The options for doing this range from very simple to very sophisticated. In this article we describe three techniques for communicating your economic impact.

Compelling data illustrated by simple graphics

Public safety agencies already collect and publish data. The trick is to present them in ways that immediately catch stakeholders' attention. Providing a few basic graphics – e.g., simple charts, photographs, or drawings – is an effective way to do this. Below is an example from the Lake Havasu City (AZ) Fire Department's 2013 Annual Report that demonstrates one way in which it provides value to the community.



What make this graphic compelling are (a) its focus on the dollar amount of property saved, (b) the context it provides, and (c) the simplicity of the chart. To increase the impact of this graphic, the agency could add a statement such as, "During 2013, the LHCFD saved 88% of the property threatened by fire."

Lake Havasu City Fire Chief Dennis Mueller uses a simple calculation to derive the above numbers every year. The agency, like most others, already calculates the dollar value of property lost during a fire. He looks up the total value of the property, which is easily available on-line, then subtracts the amount of the loss to find the dollar value of the property saved. For example, his agency responded to a fire at a residence that had a garage large enough to house the family's RV. Although the garage was destroyed, firefighters saved the house. Total value of the two structures was \$500,000; the damage to the garage was \$175,000. Subtracting the loss from the total value shows that property worth \$325,000 was saved.

Testimonials

One of the most effective ways to show your agency's value is to let your stakeholders speak for you. Testimonials are not just for businesses; they can provide persuasive evidence of the value of public safety

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organizations. All you need to do is ask people to tell their stories about their experiences with your department, provide some guidance about how to say it, record the story using a cell phone or iPad, and post the result on your web page and/or social media sites.

Several months ago a fire chief shared a story about a problem he resolved for a local business owner. Because the man was running into a lot of red tape in getting the necessary permits to open his restaurant, a local politician asked the fire chief to look into the matter. Although the problem was caused by another city agency, the fire chief was able to resolve the issue. The business owner couldn't have been more effusive in his praise for this assistance. I advised the fire chief to go back to the business owner and ask him to record a one-minute video testimonial using this template:

- Business owner's name, position, and name of his restaurant
- The situation/challenge that caused him to ask the fire chief for help
- What the fire chief did for him
- What changed for the man's business and the community as a result of the fire chief's assistance (e.g., by opening the restaurant a month earlier than expected, he was able to start earning money, employ X number of local residents at \$125,000/week, and generate sales tax revenue for the city sooner than anticipated)
- Recommendation – i.e., why others should support the fire department

Economic analysis

For agencies that are interested in more specific information and have the resources to devote to developing it, consider the approach now underway at the Long Beach (CA) Fire Department. Fire Chief Mike DuRee has partnered with faculty and graduate students at California State University, Long Beach to develop an economic model of the value provided by his agency at commercial structure fires. He is providing the data while the academics supply the technical know-how. The objective is to provide extensive quantitative evidence of the agency's value. For example, in the case of a hotel fire in which the fire is confined to one room with smoke damage to two others, the department will be able to quantify information of great interest to stakeholders such as the dollar value of the revenue the hotel earns because it remains open for business, the payroll its employees continue to earn, the purchases it continues to make from local vendors, and the "bed" and sales taxes it continues to pay the city. Armed with this type of data, the fire chief will be able to make a compelling case for resources during annual city budget negotiations.

In short, any agency can demonstrate its value by using techniques that range from very simple and no or low cost, to more sophisticated methods that require some resources. There's no excuse any more for failing to show your community how your organization contributes to its safety, health, and economic well-being. What are you waiting for? ➔

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