

# Household Economics 101



A brief guide for Georgia leaders to tell compelling stories and make informed decisions with community data.

### **What is community data?**

Data exists at many levels. While national or state-level data may be helpful for providing context for the causes we serve, community data is essential for identifying where inequities exist and how we can align resources with the needs of our community. It helps ensure we're providing the right services to the right people.

### **The case for more standard data.**

Georgia's nonprofits, agencies, and organizations often address shared or overlapping issues. The more we can describe these issues and evaluate our impact with standardized indicators, the easier it is to learn from one another, form authentic partnerships, tell compelling stories, and secure funding.

### **Equity-driven. Data-informed.**

When used improperly, data can perpetuate inequities. For instance, a data metric indicating poor performance could lead to limited funding in the places that need it most. That is why it is crucial to focus on identifying and addressing disparities when using data to understand community needs and inform policy, programming, and funding decisions. Data can guide you to answers but is not the answer in itself. So, use data as a critical navigation tool and let equity be your destination.

### **Why is household economic data important?**

Household economics tells us about the financial well-being of families: their ability to cover costs of basic needs like food, housing, and utilities; their vulnerability or risk of financial crisis; and their potential to thrive. Understanding household economic data is essential for understanding communities and identifying opportunities to address inequities and challenges. Utilizing household data can add clarity and eliminate some of the mystery when trying to prioritize what and where efforts should be focused in our communities.



**Neighborhood Nexus** supports Georgia's mission-driven organizations to ask the right questions, use the best data, tell compelling stories, and make informed decisions. We accomplish this by offering community data from dozens of sources all in one place, building organizational data capacity, and providing custom projects. Find out more at [neighborhoodnexus.org](https://neighborhoodnexus.org).

## AVAILABLE GEOGRAPHIES LEGEND

The data referenced in this document is publicly available. "Available Geographies" refers to the various levels or areas by which that information can be reviewed.

- S** State
- M** Metropolitan Statistical Area (MSA)
- C** County
- L** Locality/City
- Z** Zip Code
- T** Census Tract



Though so much economic news focuses on the ups and downs of corporate activity, household economics – as expressed through consumer spending – determines 3/4 of overall activity in our economy. The spatial distribution of household indicators correlates quite precisely with the present and future landscape of the key metric of generational economic mobility. Better outcomes in these indicators are drivers for a more prosperous and equitable future.



— Jim Skinner, Data Analysis Administrator,  
Atlanta Regional Commission, Georgia State University

## Indicators

### 01 AREA MEDIAN INCOME (AMI) Original source: [US Department of Housing and Urban Development \(HUD\)](#)



Median household income in a given region

#### Why it matters

AMI is used by HUD to determine who is eligible for affordable housing. Households that earn less than 80% of the AMI may struggle to afford basic necessities such as food or transportation and may be eligible for financial assistance for housing.

#### Neighborhood Nexus recommendation

If a large percentage of an area's residents earn less than 80% of the AMI, work to improve livable wages, affordable housing, or social assistance programs. AMI is a relative metric, and is most useful at a hyperlocal scale.

#### Helpful data tools

- [What is AMI?](#)



## 02 LIVABLE WAGE

Original source: [Massachusetts Institute of Technology \(MIT\)](#)



Local wage rate that allows residents to meet minimum standards of living based on typical expenses

### Why it matters

The livable wage describes the wage that is required to afford necessary expenses, so those who make less than the livable wage may struggle to afford housing, food, and bills. The federal minimum wage is lower than the livable wage, so many households with minimum wage jobs may be susceptible to financial hardship.

### Neighborhood Nexus recommendation

Use this metric in conjunction with demographic data to advocate for improvements to wages and social assistance programs for those without a livable wage, or as a target or baseline for communicating current conditions.

### Helpful data tools

- [Cost of Living](#)

## 03 POVERTY RATE

Original source: [ACS](#)



Percent of families with income below 200% of the poverty line

### Why it matters

The poverty line is used to determine which households are eligible for social assistance. Those whose income is below 200% of the poverty line may struggle significantly to afford basic necessities like housing, food and healthcare.

### Neighborhood Nexus recommendation

Look at how the poverty rate compares across geographies and demographic groups. Work to eliminate systemic biases in education, employment opportunities, and the justice system which may perpetuate poverty in certain communities.

### Helpful data tools

- [Kids Count](#)

## 04 SOCIAL ASSISTANCE

Original source: [ACS](#)



Households receiving Food Stamp/SNAP benefits

### Why it matters

SNAP is the largest food assistance program and does more to reduce food insecurity than any other program. Without social assistance programs like SNAP, millions of Americans may struggle with food insecurity and financial hardship.

### Neighborhood Nexus recommendation:

Evaluate any gaps in SNAP benefits for economically disadvantaged households. Where high percentages of eligible individuals aren't enrolled in social assistance programs, target efforts to increase awareness and aid households with enrollment.

### Helpful data tools

- [SNAP vs. Meal Cost Tool](#); [Map the Meal Gap](#)

## 05 UNEMPLOYMENT

Original source: [Bureau of Labor Statistics \(BLS\)](#)



Percent of the total labor force that is unemployed but actively looking for work

### Why it matters

For an individual, unemployment can cause financial strain and challenges to a person's physical and mental health. When the nation experiences a high unemployment rate, millions of households may struggle to make ends meet which can have long-term repercussions for households and the nation's economy.

### Neighborhood Nexus recommendation

Evaluate the unemployment rate with demographic data. Where groups consistently suffer from higher levels of unemployment, target workforce resources to those who need it most. Use in conjunction with indicators like workforce participation to get a more complete view of trends.

### Helpful data tools

- [GA DOL](#); [DOL Unemployment Explorer](#)

## 06 EDUCATION

Original source: [ACS](#)



Percent of the population 25 years and over with a bachelor's degree or higher

### Why it matters

Those with at least a bachelor's degree will earn about 2.5 times more over their lifetime than those with only a high school diploma. A more educated population can result in lower instances of child abuse, lower rates of criminal behavior, and fewer teen pregnancies (Learn4Life).

### Neighborhood Nexus recommendation

Consider workforce programs that prioritize skills over credentials in communities with low rates of post-secondary completion. Use this metric to advocate for improved higher education policies and financial aid to increase access to postsecondary attainment for underrepresented populations such as students of color, nontraditional students, and first-generation college students.

### Helpful data tools

- [High School Graduate Outcomes Tool](#)



## 07 STUDENT MOBILITY

Original source: [GOSA](#)

S M C L Z T

Percent of students who entered or withdrew from a school during the year

### Why it matters

Families don't often move their kids in the middle of a school year if they can help it. Mobility is an indicator of families seeking more affordable housing and/or higher paying jobs. It impacts students' learning and socialization environment.

### Neighborhood Nexus recommendation:

Use student mobility as a systems-level indicator of increasing housing pressures or displacement. Review student mobility in conjunction with other indicators of household well-being to determine possible causes. Target efforts to intervene early and ensure adequate family-centered resources to support these students.

### Helpful data tools

- [APS Mobility Rates](#)

## 08 HOUSING BURDEN

Original source: [ACS](#)

S M C L Z T

Percent of occupied housing units for which costs exceed 30 percent of income

### Why it matters

Households who experience a high housing cost burden are more likely to experience food insecurity, opt out of basic necessities such as medical care, or miss paying a bill.

### Neighborhood Nexus recommendation

If an area has a large percent of cost burdened individuals, align efforts to ensure equitable access to affordable housing, employment opportunities, and social assistance. Look at this measure over time to see where housing pressure is increasing the most.

### Helpful data tools

- [National Low Income Housing Coalition: Georgia](#)
- [Southeastern Rental Affordability Tracker](#)

## 09 HEALTH CARE COVERAGE

Original source: [ACS](#)

S M C L Z T

Percent of the civilian noninstitutionalized population with no health insurance coverage

### Why it matters

Economically disadvantaged individuals and workers in certain industries are more likely to lack health care coverage than others. Without adequate coverage, households may suffer from negative health conditions, or endure financial ruin if they have to pay for an essential medical expense.

### Neighborhood Nexus recommendation:

When designing affordable healthcare programs (e.g., FQHCs), use health insurance access in site selection. Evaluate which populations suffer from lack of health insurance and work to improve services for those who cannot afford coverage or who do not have access to coverage through their employer.

### Helpful data tools

- [Small Area Health Insurance Estimates](#)

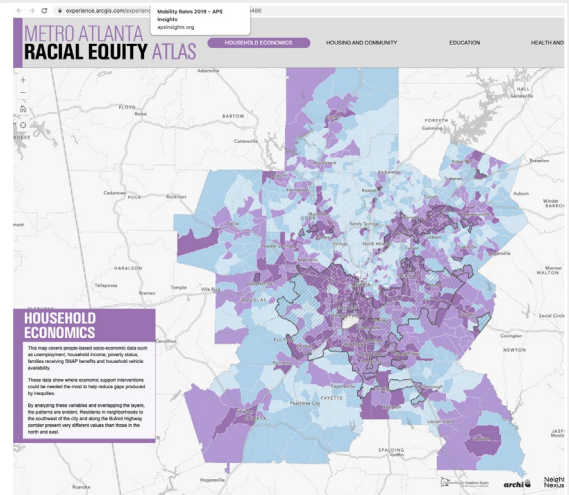


# From the Field

## METRO ATLANTA RACIAL EQUITY ATLAS (MAREA)

MAREA contextualizes personal narratives with engagement, interactive community data, and historical background with an explicit focus on advancing racial equity. The [map](#) includes data such as unemployment, household income, poverty status, families receiving SNAP benefits, and household vehicle availability. This platform helps users understand where economic support interventions could be needed the most to help reduce gaps produced by inequities.

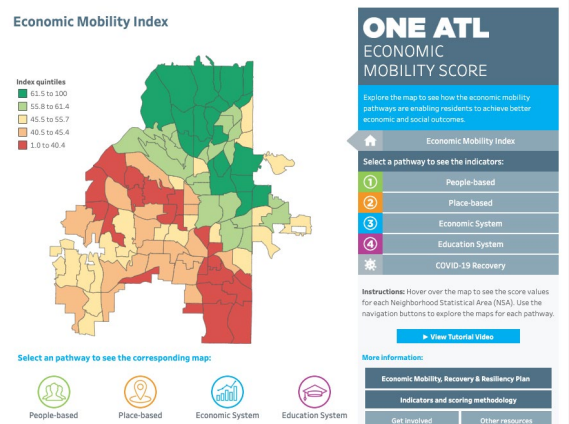
*Features indicators 01, 03, 04, 05, and 09*



## ONE ATLANTA ECONOMIC MOBILITY INDEX

Invest Atlanta’s One Atlanta: Economic Mobility, Recovery, and Resiliency Plan and [data tools](#) help guide equitable investments and programs in disadvantaged Atlanta neighborhoods. The score is a measure of residents’ and households’ economic mobility in different parts of the city of Atlanta, relative to the rest of the city.

*Features indicators 01, 02, 03, 05, 06, and 08*



## THANK YOU TO OUR PARTNERS!

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## Additional Information

### ADDITIONAL INDICATORS

- Median Income
- Net Worth
- Disposable Income
- Household Size
- Households with a Computer
- Households with Broadband Internet
- Retirement Income
- Average Student Loan Debt

### DATA SOURCES & TOOLS

- [DataNexus](#)
- [The Opportunity Atlas](#)
- [Debt in America](#)
- [Survey of Household Economics and Decisionmaking](#)



## Caution: Data Isn't Perfect

When using data, be cautious and remember that data can have gaps, be biased, or perpetuate inequities. Here are a few things to keep in mind:

### Equity

Certain data points may contribute to systemic inequities. If you see correlations between deficits and certain geographic areas or demographic groups, use this as an opportunity to advocate for additional funding or resources for these communities. Don't use low performance as a justification to deny opportunities to communities that have been consistently and systematically overlooked.

### Validity

Available data may not accurately represent the indicator. Look at how the metric is defined and see if the data actually represents this definition. If it doesn't, you may need to explore different metrics that may be more valid or proceed with caution if the invalid metric is the closest approximation of the data you need.

### Reliability

Available data may not represent the defined metric consistently across all geographies and time frames. Look to see if there are any major differences in the data across categories. If something stands out, it may not have been collected or documented the same way across all categories.

### Availability

Certain data points may not be publicly available for all years or geographies defined. Do not ignore gaps in data when you see them. Instead, ask yourself why there might be gaps and determine if it affects how useful the data is for your purpose.

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**Data Primers in this series:**

Access Data 101

Demographic Data 101

Education Data 101

Environmental Data 101

Health Data 101

**Household Economics Data 101**

Housing Data 101

Workforce Data 101



Gaps in household economic data may make it difficult to identify and address inequities in your community. Neighborhood Nexus can provide additional data points and help you leverage community data to support those you serve and achieve your organization's strategic priorities.

Visit [neighborhoodnexus.org/our-services](https://neighborhoodnexus.org/our-services) to find out more!

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