

Economic Impact of Workforce Innovation and Opportunity Act (WIOA) Expenditures

in Tennessee, 2014-2015



1

The Workforce Innovation and Opportunity Act program is administered by the Tennessee Department of Labor and Workforce Development.

2

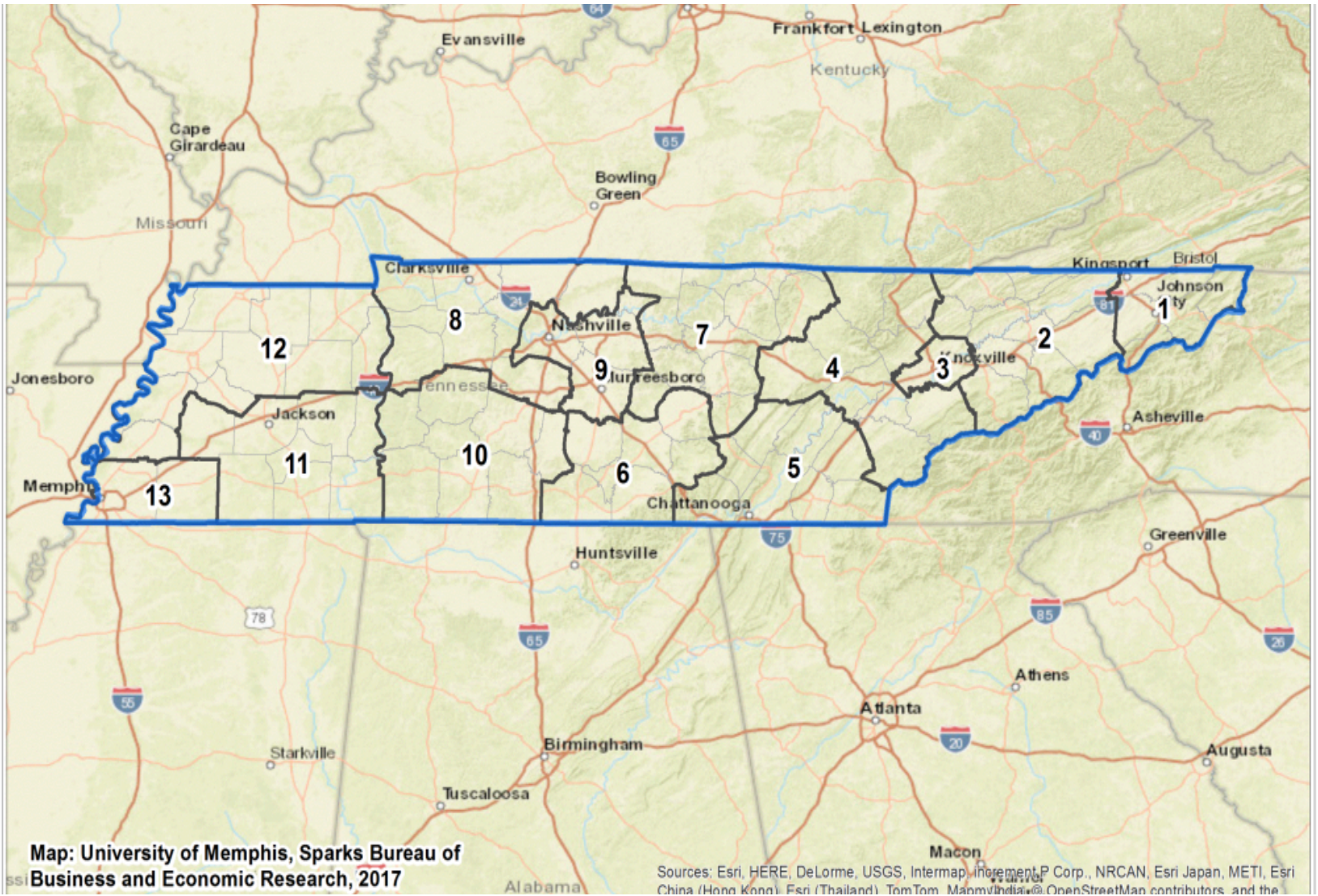
WIOA includes 4 partner programs:
Workforce Services
Adult Education
Wagner Peyser
Vocational Rehabilitation

3

WIOA Expenditures in 2014-2015 included:
Workforce Services - \$48,889,324
Adult Education - \$17,021,311
Wagner Peyser - \$9,902,014
Vocational Rehabilitation - \$4,821,949

4

Total 2014-15 WIOA Expenditures equaled \$80,644,598 across the State.



Map: University of Memphis, Sparks Bureau of Business and Economic Research, 2017

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, Mapbox, and OpenStreetMap contributors, and the



To understand the Economic Impact of WIOA Expenditures on Tennessee you need an Input/Output Model to measure the impact.

The Model used in this analysis is known as IMPLAN (IMpact Analysis for PLANning)

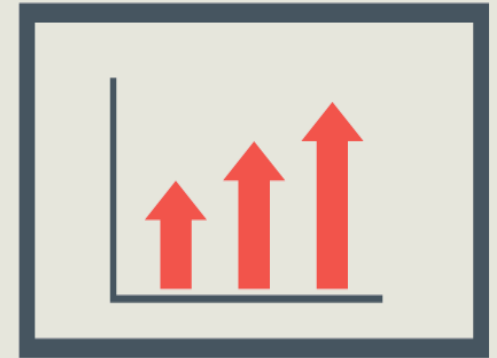
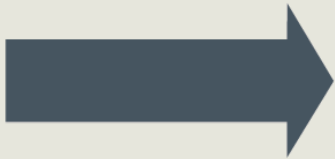
IMPLAN provides an estimate of the economic impact brought about as a result of WIOA Expenditures.

Input/output models measure four economic impacts, which are:

1 Direct Effect	2 Indirect Effect
3 Induced Effect	4 Total Effect

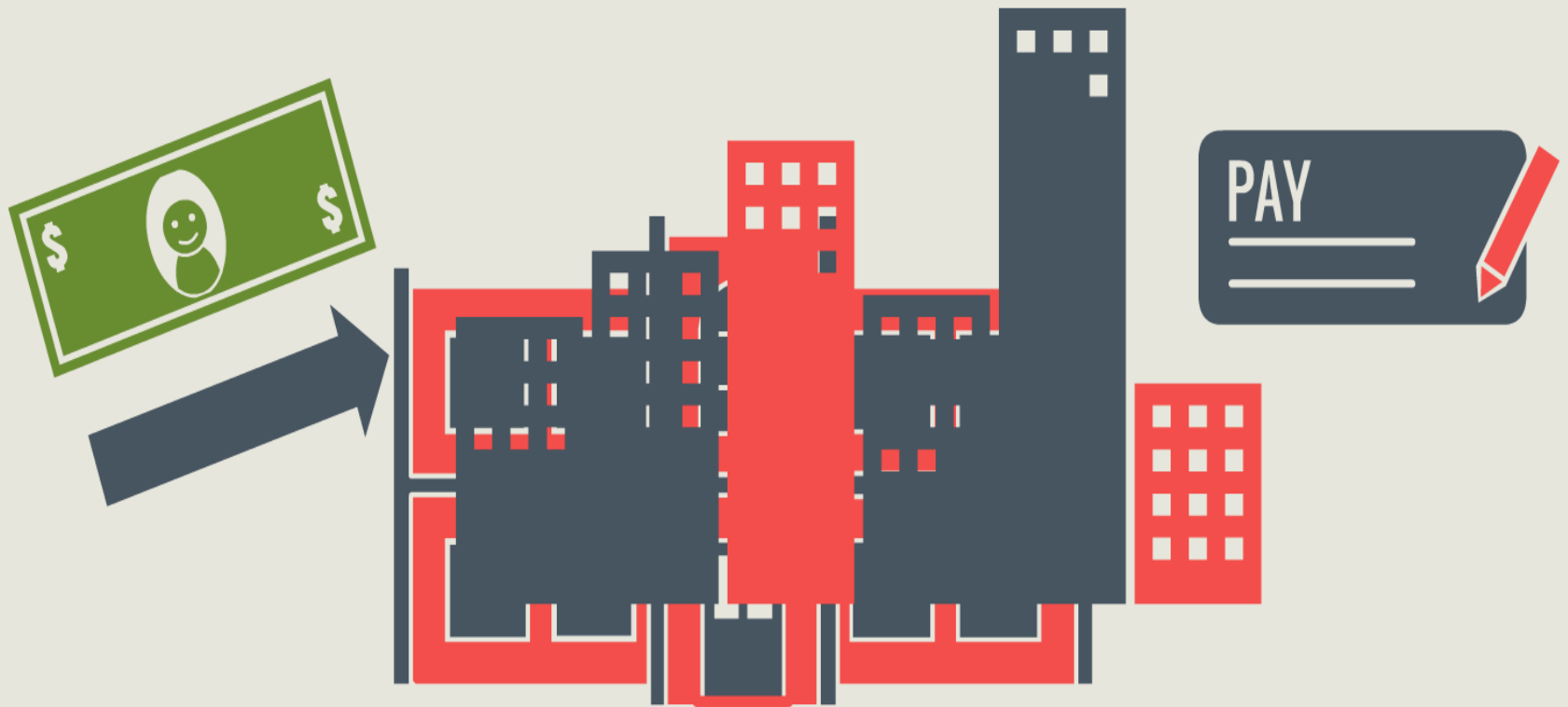
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The Direct Effect measures the impact (e.g., change in output or employment) as a result of the initial WIOA expenditures. These expenditures include operating costs, wages, fees, etc.



2

The Indirect Effect can be described as the subsequent purchases made, or wages paid, by businesses using funds earned by supplying goods or services to the WIOA program.



3

The Induced Effect represents the impact on local businesses caused by expenditure of new household income generated by the direct and indirect effects of the initial WIOA expenditures.



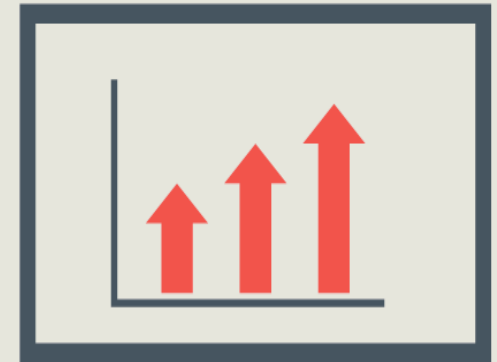
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WIOA expenditures are recirculated through household spending patterns causing further local economic activity. The Total Effect is the sum of the Direct, Indirect, and Induced effects.

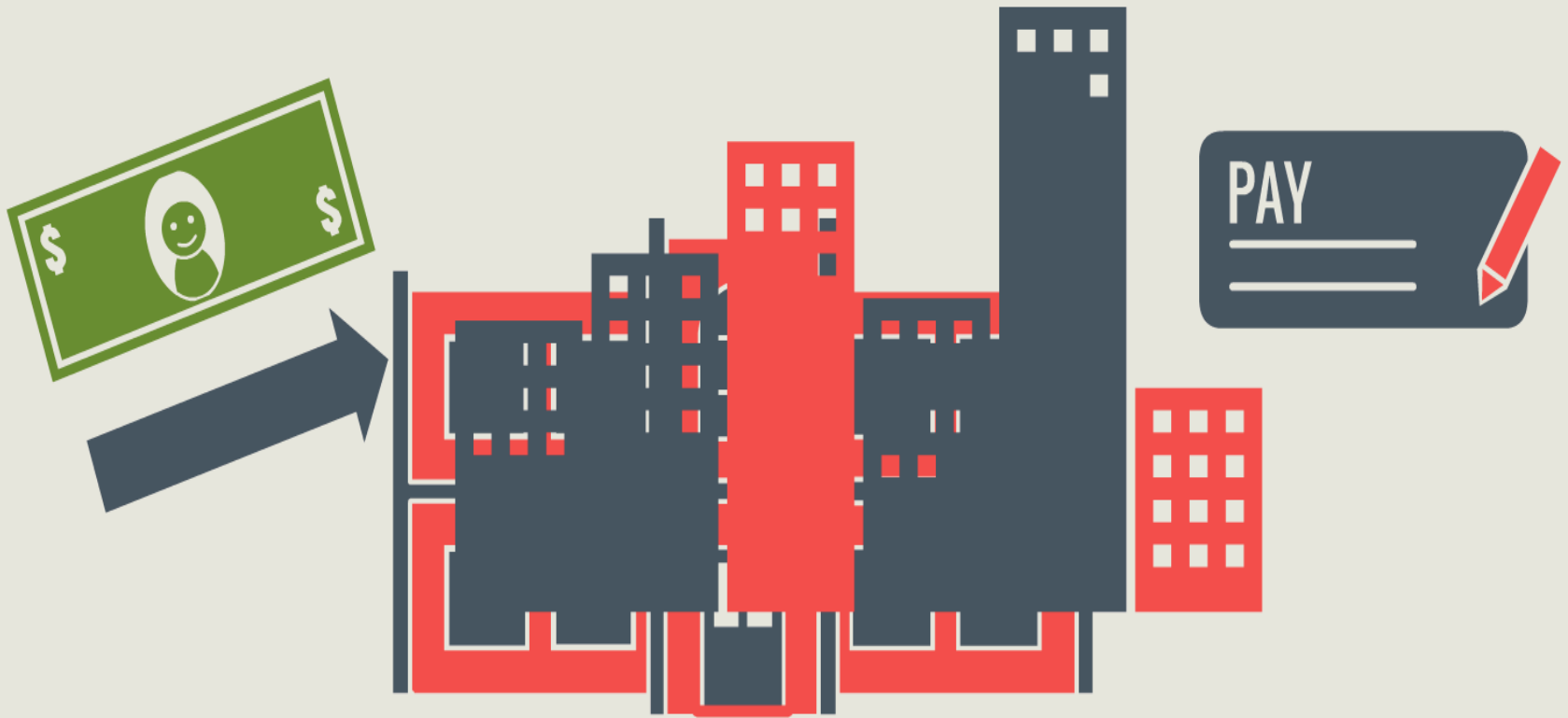


Direct+Indirect+Induced=Total

In 2014-2015, the Direct Impact Effect of WIOA Expenditures in Tennessee was \$80,644,598.



In 2014-2015, the Indirect Impact Effect of WIOA Expenditures in Tennessee was \$13,162,092.



In 2014-2015, the Induced Impact Effect of WIOA Expenditures in Tennessee was \$53,263,974.



In 2014-2015, the Statewide Total Impact Effect of WIOA Expenditures administered by the Tennessee Department of Labor and Workforce Development was \$147,070,664

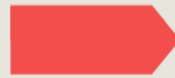


Direct+Indirect+Induced=Total

WIOA Expenditures flow through the local economy spurring the production of goods and services, supporting employee income, and helping generate local tax revenue.

WIOA
Expenditures of
\$80,644,598

Produces



A Total
Economic
Impact of
\$147,070,664

Which Means

Every \$1.00 in WIOA expenditures in Tennessee generates \$1.82 in Total Economic Impact



Sparks Bureau of Business and Economic Research

