

SKILL UP TENNESSEE: 2022 JOB TRAINING PROGRAM ECONOMIC IMPACTS

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SNAP Employment and Training

SNAP (Supplemental Nutrition Assistance Program) has been a vital safety net for millions of individuals and families across the United States, increasing food security and reducing hunger. In addition to its focus on nutrition assistance, SNAP also includes employment and job training components designed to improve the self-sufficiency of SNAP participants, thereby reducing their need for SNAP benefits (Rowe et al., 2017).

The SNAP Employment & Training (SNAP E&T) program represents a partnership between the United States Department of Agriculture Food and Nutrition Service (USDA-FNS) and states to provide training and employment services to eligible SNAP participants (USDA-FNS, 2018). Established in 1985 by Congress, the SNAP E&T program is administered by states and territories through local service providers. The ultimate goal of SNAP E&T is to help SNAP participants gain skills, training, work, or experience that will increase their ability to obtain regular employment, thus leading to self-sufficiency. Access to robust postsecondary training and education, individualized case management, assessment, and support combined with participant supportive services help participants in SNAP E&T realize their goals (Food and Nutrition Service, 2022).

Eligibility for SNAP E&T participation is clearly defined by USDA-FNS guidelines (USDA-FNS, 2018). To be eligible for SNAP E&T, individuals must:

1. Currently receive SNAP benefits;
2. Not be receiving Temporary Assistance for Needy Families (TANF) cash benefits; and
3. Be willing and able to work upon completion of the program.

The purpose of this publication is to highlight the 2022 impacts of Skill Up Tennessee (Skill Up TN), the University of Tennessee Extension's (UT Extension) SNAP E&T program. Skill Up TN Program participation, regional differences for participants across Tennessee, and estimates of the economic impacts of the program on the state economy are presented. The findings from this study should be useful to Extension educators, planners, and local government officials in improving recruitment, planning, delivery, and implementation of the SNAP E&T program. SNAP E&T research is limited; the information presented in this publication helps to grow the SNAP E&T knowledge base (Paprocki et al., 2022). Similar publications were produced highlighting the impacts of the 2021 and 2020 SNAP E&T programs (Sneed et al. 2022; Upendram et al., 2021).

Skill Up TN Description

In 2017, UT Extension became a third-party partner for the delivery of SNAP E&T services. Skill Up TN is UT Extension's SNAP E&T program that is conducted in partnership with the Tennessee Department of Labor and Workforce Development. The purpose of the program is to assist eligible SNAP participants in gaining skills, training, work, or experience that will increase their ability to obtain regular employment. The ultimate goal is the self-sufficiency of individual participants and sustainability of the program.

Family and Consumer Sciences (FCS) Extension educators work within their assigned counties to reach and recruit potential SNAP E&T participants who are interested in furthering their employment opportunities. The Tennessee Department of Human Services verifies the eligibility of recruited individuals for participation in the program. For those eligible to participate, FCS Extension educators along with regional Skill Up TN Career Navigators offer a menu of educational services, including (2022 Skill Up Tennessee Impact report):

- Individual assessment to help an individual set and achieve employment goals;
- Career navigation to help in pursuing training, finding the right job, and obtaining any needed support;
- Access to services such as vocational technical training and job retention to prepare for success;
- Multi-session work readiness training to gain knowledge and skills to prepare for work;
- Supportive services to help pay for training and starting a job.

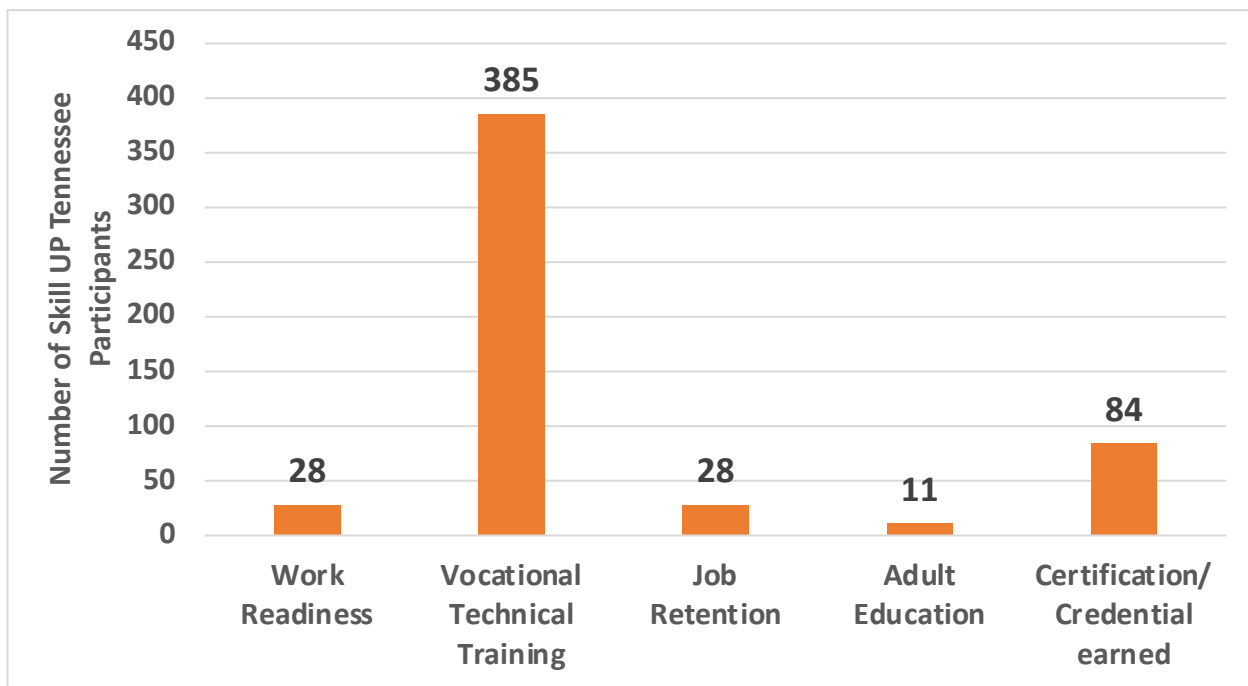


Figure 1. 2022 Skill Up TN Participation by Educational Service

In 2022, 772 individuals from 71 counties expressed interest in participating and signed up for the Skill Up TN program. After eligibility reviews, a total of 579 individuals participated in the program, an increase of 165 individuals from the previous year.

A total of 28 participants participated in work readiness training, compared to 11 the previous year. The number of participants enrolled in vocational technical training at a Tennessee College of Applied Technology (TCAT), community college, or other training provider increased from 266 to 385 in 2022. In 2022, 28 participants enrolled in job retention services (compared to 22 the previous year), and 84 participants earned recognized credentials or received certification in vocational/technical training (compared to 54 in the previous year) and 34 participants gained employment (compared to 19 in the previous year).

579
Individuals
participating
in Skill Up
Tennessee

It is important to note that many participants often participate in multiple educational services offered through the Skill Up TN program as they work toward their career goals. Skill Up TN walks with participants, sometimes for years, on their journey toward employment.

Statewide Presence

Across our state, Skill Up TN is working to connect participants with support and resources to help them gain the training and skills needed for employment. Figure 2 shows the spatial distribution of Skill Up TN participants in 2022 by county. It is important to note that even in counties with no reported participants, active marketing and promotion of the Skill Up TN program were conducted by the FCS Extension educators and/or the Skill Up TN Career Navigators.

In 2022, 579 individuals participated in the Skill Up TN program across 75 counties in the state. This represents an increase of 165 individuals from the previous year. Knox County led the state with 76 participants, followed by Shelby (58 participants) and Rutherford County (30 participants). Across the University of Tennessee Extension’s three geographic regions, Skill Up TN had 230 participants from the Western region, 118 from the Central region and 231 participants from the Eastern region (Figure 3). Over the last year, while the western region participants increased by 27, the central region participants increased by 1, and the eastern region participants increased by 137 (Sneed et al., 2022).

It is important to note that participation in SNAP E&T is voluntary for participants and not required to receive SNAP benefits. Recruitment efforts continue to be strengthened in underserved regions of the state. These efforts will improve workforce opportunities for residents in these counties and enhance economic development.

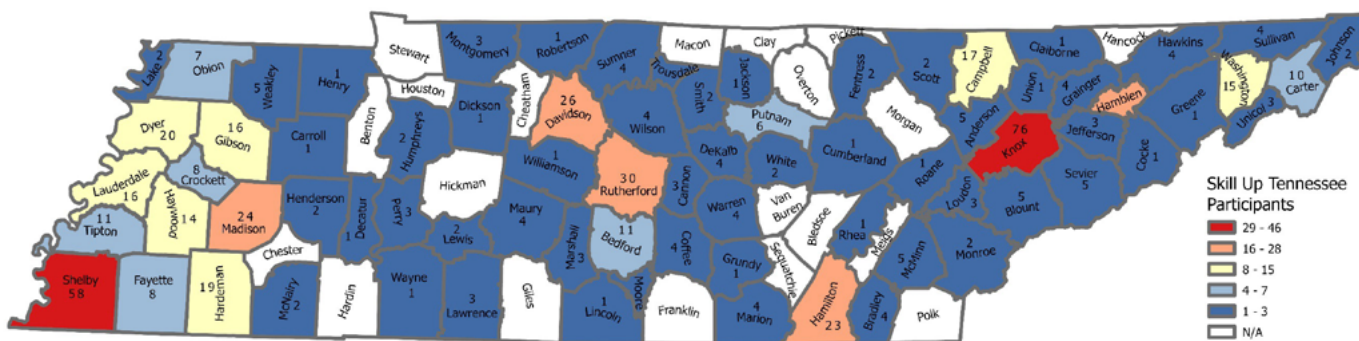


Figure 2. 2022 Skill Up TN Participants by County

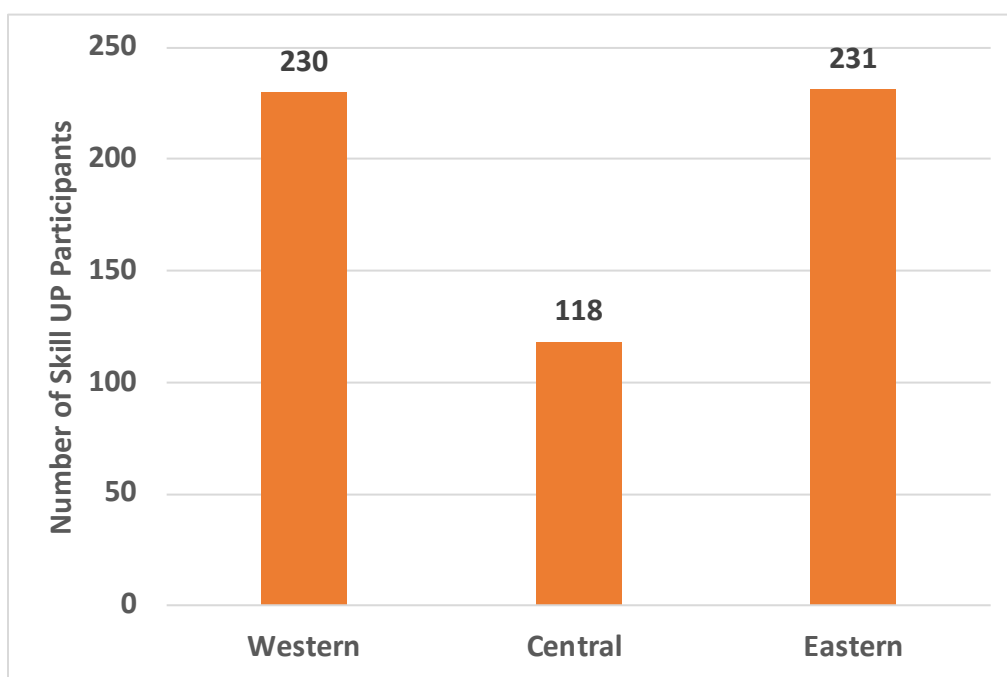


Figure 3. 2022 Skill Up TN Participants by the Three University of Tennessee Extension Regions.

Economic Model - IMPLAN

Economic impact analysis using IMPLAN, an economic input-output database and modeling system (IMPLAN Group, LLC), provides descriptive measures including output, employment, and value-added for up to 546 industrial sectors in the economy. Total industry output is defined as the value of production by industry per year. Employment represents the total wage and salary of employees plus self-employed jobs in a region for both full-time and part-time workers. Total value added is defined as all income to workers paid by employers, including the value of certain benefits; self-employed net income; interests, rents, royalties, dividends, and profit payments; and excise and sales taxes paid by individuals as collected by businesses.

Multipliers measure the response of the economy to a change in demand or production. A multiplier measures how dollars are re-invested and circulated in a local economy, leading to additional economic activity (Hughes, 2018). Multiplier analysis generally focuses on the effects of external changes on: a) the output of the sectors in the economy, b) the income earned by households because of the new outputs, and c) the employment (in physical terms) that is expected to be generated because of the new outputs.

When a particular industry sector is expected to change, increase, or decrease, three types of impacts economy-wide are measured: Direct, indirect, and induced effects:

- Direct effects are the immediate effects associated with a change in the final demand for a particular industry.
- The indirect effects are the secondary effects or production changes in backward-linked industries that provide goods and services.
- The induced effects represent the response by all local industries caused by increased expenditures resulting from new household income and inter-institutional transfers generated from the direct and indirect effects of the change in final demand for a specific industry.

Economic Impact

The 2022 output impacts of the Skill Up TN program on the state's economy are presented in Figure 4. In 2022, the program's direct spending (output change) devoted to training participants across Tennessee is estimated at \$950,473, which was attributed to IMPLAN sector 495 (community food, housing, and other relief services, including rehabilitation services). Over the last year, the total program spending has increased 11.8 percent. With multiplier effects (indirect and induced impacts), the total estimated economic impact of the Skill Up TN program is estimated to be \$1,899,357. Over the last year, the total economic impact increased by 10 percent. For every dollar of direct output from Skill Up TN, the total economic impact on the state's economy is \$2.00 as compared to \$1.97 from the previous year. The tax collections associated with the Skill Up TN program are estimated to be \$15,273 from the state and \$2,900 from the local (county) region.

For every dollar of direct output from Skill Up TN the total economic impact on the state's economy is \$2.00.

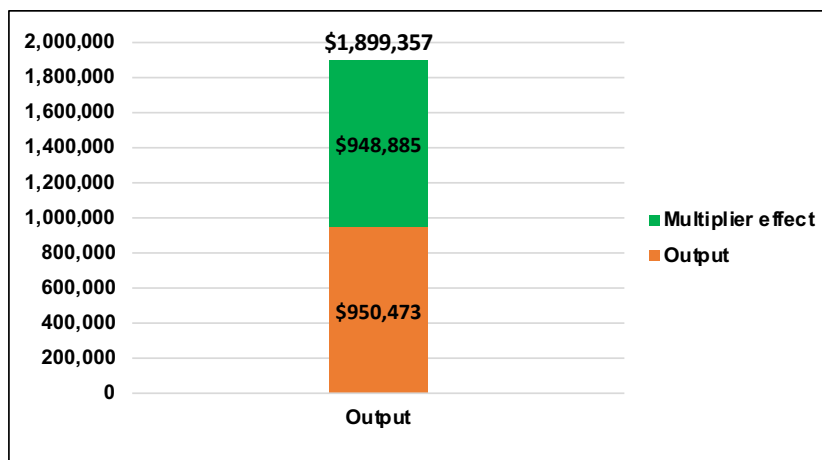


Figure 4. Skill Up TN Program Economic Impact on the State's Output, 2022.

¹ The State benefits from reduction in government spending on income support programs and increased employment pool due to the Skill UP TN program, these impacts are not assessed and are not included in the economic impacts.

Summary and Conclusions

Across the state, Skill Up TN, UT Extension's SNAP E&T program, is making an impact in the lives of Tennessee families with limited resources. Through career coaching, technical training leading to industry-recognized credentials, work readiness training, supportive services and more, individuals and families are realizing their career dreams thanks to the outreach and work of Extension's educators and Skill Up TN Career Navigators.

The impacts of the Skill Up TN program would not be possible without the support of the Tennessee Department of Labor and Workforce Development and the Tennessee Department of Human Services. This partnership demonstrates the synergistic impact that occurs when state agencies work together to address critical challenges. Through this partnership, UT Extension has successfully increased its reach and impact across the state, continuing a 100+ year legacy of research-based outreach. This partnership is a model for other states seeking to address the critical needs of low resource individuals with the implementation of SNAP E&T services through the Cooperative Extension framework.

Skill Up TN's impact is not limited to the participants who are served. The economy of the state is positively impacted as well. Every dollar of direct output from Skill Up TN leads to \$2.00 in state-level output – an almost dollar-for-dollar impact.

**Skill Up TN is
effective in
Tennessee!**

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