



# THE ECONOMIC VALUE OF CareerSource Tampa Bay

## EXECUTIVE SUMMARY

# INTRODUCTION



**T HIS REPORT** assesses the impact of CareerSource Tampa Bay (Tampa Bay) 1 on the county's economy and the benefits generated by the organization for the region's taxpayers. The results of this study reflect Program Year (PY) 2019 and shows the net impact Tampa Bay has on the region's economy and its return on investment for taxpayers. The year 2019 was chosen to analyze the post program earnings and benefits obtained by the participants and better reflect the pre-Covid conditions. However, it is important to take into account that results were directly affected by COVID, especially when it comes to employment numbers.

## ABOUT CAREERSOURCE TAMPA BAY



**CareerSource Tampa Bay** is a 501(c)3 non-profit organization aimed at developing and delivering workforce solutions that support economic development in Hillsborough County.

Through these solutions, a wide array of benefits via programs and day-to-day operations provide clear economic impact in the community. Individuals benefit from workshops, career planning services, and job training programs. Employers benefit from consultation services, customized and on-the-job training programs, and a readily accessible pool of potential job candidates. CareerSource Tampa Bay's service region including the 56 Florida zipcodes in Florida it serves, leads to helping jobseekers fill in-demand jobs, higher regional earnings, and lower unemployment rates.

While CareerSource Tampa Bay's value to both the Tampa Bay area and Florida is larger than simply its economic impact, understanding the dollars and cents value is an important asset to understanding the organization's value as a whole. This report has evaluated the organization and its programs from the perspectives of economic impact analysis and investment analysis.

## Key Findings

- The aggregated impact of WIOA and Wagner-Peyser programs is **1.26** or \$1.26 for every dollar spent.
- The aggregated benefit-cost ratio or return on investment for WIOA programs (Adult, Dislocated Worker, Youth) for calendar year 2019 is 0.85 or .85 for every dollar spent.
- The aggregated benefit-cost ratio or return on investment for Wagner-Peyser for calendar year 2019 is 6.83 or **\$6.83 for every dollar spent.**
- Nearly 20% of participants served in WIOA Title I programs (Adult, Dislocated Worker, Youth) were ex-offenders.
- In addition to the programmatic benefit-cost ratio, government savings in the areas of health, crime, and welfare/unemployment benefits equals **\$6.9M.**
- The total economic impact of CareerSource Tampa Bay as an organization is **\$16.5M** in added income to the regional economy and while the organization only employs 118, the economic impact is equivalent to **192 jobs.**
- After evaluating pre- and post-program earnings, the combined annual earnings increase by participants were **\$11.9 million.**
- Net-negative benefit cost ratio for WIOA Title I programs of .85 equates to -\$1.1M of taxpayer benefits over the next 10 years.

The day-to-day operations spending of Tampa Bay generated **\$16.5 million** in added income to the county's economy. This is equivalent to creating approximately **192 jobs.**

# OBSERVATIONS



- Net-positive benefit cost ratio for the Wagner-Peyser program of 6.83 equates to **\$5.9M of taxpayer benefits** over the next 10 years.
- For the programs with a net-negative (less than 1) benefit-cost ratio, it is important to consider that **the benefits to program participants and society cannot be understated** despite not being quantified in the analysis.
- Net-negative benefit-cost ratio for WIOA Title I programs is not unique to Tampa Bay. In analysis of other workforce boards throughout the country, a ratio of less than 1 is common for these programs.
- The net-positive benefit-cost ratio for Wagner-Peyser of 6.83 in Tampa Bay is **significantly higher** than other benefit-cost ratios conducted throughout the country.
- The post-program results were strongly influenced by COVID-19 and the impact it had on the employment conditions.
- CareerSource Tampa Bay provides **quality services across a variety of demographic groups** including age, gender, and race. On average, participants served under Wagner-Peyser were 39 years old, 48.9% female, and 53% individuals of color.

# SUMMARY



- CareerSource Tampa Bay serves individuals with greater barriers to employment including ex-offenders, individuals with mental and physical disabilities, underemployed, homeless or former foster youth, and single parenting.

**F**ROM AN ECONOMIC IMPACT PERSPECTIVE, we calculated that CareerSource Tampa Bay, as an organization, generates a total economic impact of **\$16.5 million** in total added income for the regional economy, along with an additional **\$11.9 million** in annual earnings increase for the individuals they served through the programs evaluated in this study.

It is important to keep in mind that a **variety of successful outcomes** that exist in these programs do not include gainful employment—enrolling into post-secondary education and entering the job-market after searching for a while, are examples of successful outcomes that cannot be quantified.

The benefits generated by CareerSource Tampa Bay affect the lives of many people. Participants receive the training and support they need to become gainfully employed or to increase their earnings. **As participants earn more, communities and citizens throughout the region benefit** from an enlarged economy and a reduced demand for social services.

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