



PREPARED FOR

**Virginia Career Works Northern Region**



**NORTHERN REGION**

A proud partner of the **AmericanJobCenter** network

1/29/2025

# ECONOMIC IMPACT & RETURN ON INVESTMENT OF VIRGINIA CAREER WORKS NORTHERN REGION

**Fiscal Year 2024**



# 1. Executive Summary

This report assesses the economic impact and return on investment (ROI) attributable to the northern Virginia workforce programs and services provided by Virginia Career Works Northern Region (VCWNR) for fiscal year (FY) 2024.<sup>1</sup> See the main findings of the report summarized below.<sup>2</sup>

The regional economy is expanding beyond pre-pandemic levels, providing a favorable environment for job seekers who access VCWNR programs and services. The Northern Virginia region fully recovered from job losses related to the COVID-19 pandemic in the second quarter of 2023, and at the end of fiscal year 2024, employment was 2.3% higher than the pre-pandemic levels. In June 2024, the region's unemployment rate of 2.7% fell below both the 3.0% rate for the state of Virginia and the 4.3% rate in the United States.

As of the second quarter of 2024, the average annual wage in Northern Virginia was \$100,572. This figure is 32% higher than the average for Virginia and 35% higher than the United States annual wage average, contributing to household spending and ripple effects in the region.

In FY2024, the largest industry by employment in the Northern region included professional, scientific, and technical services, followed by health care and social assistance, and educational services.

**The various workforce programs and services available through Virginia Career Works Northern region provide a large economic impact in the VCWNR service area.**

In FY2024, Virginia Career Works Northern Region provided the following workforce programs and services:

- Workforce Innovation and Opportunity Act (WIOA) Adult Program
- WIOA Dislocated Workers Program
- WIOA Youth Program
- Senior Community Service Employment Program (SCSEP)
- Refugee Assistance Program
- Supplemental Workforce Program
- Ticket to Work Program
- Temporary Assistance for Needy Families (TANF)
- Talent Up Fairfax Program
- Prince William ELEVATE Program
- One-Stop Center Job Placements, providing self-service resources for jobseekers<sup>3</sup>

<sup>1</sup> Fiscal Year 2024 started July 1, 2023, and ended June 30, 2024. Virginia Career Works Northern Region serves the counties of Fairfax, Loudoun, and Prince William, and the cities of Fairfax, Falls Church, Manassas, and Manassas Park. This region is referred to as the VCWNR service area. However, in this report, the study region is defined as Northern Virginia, which also includes Arlington County and the City of Alexandria, in addition to seven localities served by VCWNR.

<sup>2</sup> Chmura provides economic software, consulting, and data to our clients that help them make informed decisions to benefit their communities. Our Ph.D. economists, data scientists, and strategic planners guide clients through their local labor market. Over the past 26 years, Chmura has served hundreds of clients nationwide with thoroughness, accuracy, and objectivity.

<sup>3</sup> In this report, all workforce programs and services excluding One-Stop services are collectively termed VCWNR non-self-service programs. Economic impact and ROI are evaluated for all non-self-service VCWNR programs and all VCWNR programs and services.

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In FY2024, Virginia Career Works Northern Region helped 518 individuals obtain employment through its non-self-service programs. The increased annual household income associated with those programs is estimated at \$26.3 million in FY2024.

The increased income resulting from VCWNR non-self-service programs is estimated to have supported 623 total jobs in Northern Virginia in FY2024, associated with \$31.0 million in total regional labor income. This increased income generated an estimated \$24.2 million in additional regional economic output, and \$4.9 million in state, local, and federal tax revenue.

If job placements through One-Stop services are included, VCWNR was instrumental in helping 615 individuals obtain employment in FY2024. The increased annual household income associated with those job placements is estimated at \$32.6 million in FY2024.

Increased income resulting from VCWNR programs supported an estimated 745 total jobs in Northern Virginia in FY2024, associated with \$38.5 million in total regional labor income. The increased income also resulted in \$30.1 million in additional regional economic output, and \$6.0 million in state, local, and federal tax revenue.

**The ROI analysis shows that the benefit of VCWNR programs and services exceeds the cost.**

In FY2024, the cost associated with all VCWNR programs and services was \$9.56 million.

The benefit is defined as the total labor income attributable to persons served through VCWNR programs and services.

Excluding One-Stop services, the benefit-to-cost ratio of VCWNR non-self-service programs of 3.1 in FY2024, indicates that the benefit of VCWNR programs was more than three times the public cost required.

If the ROI analysis is expanded to encompass One-Stop services, the benefit-to-cost ratio of all VCWNR programs and services in FY2024 rises to 3.9. This figure indicates a benefit of nearly four times the required public cost.

## 2. Background

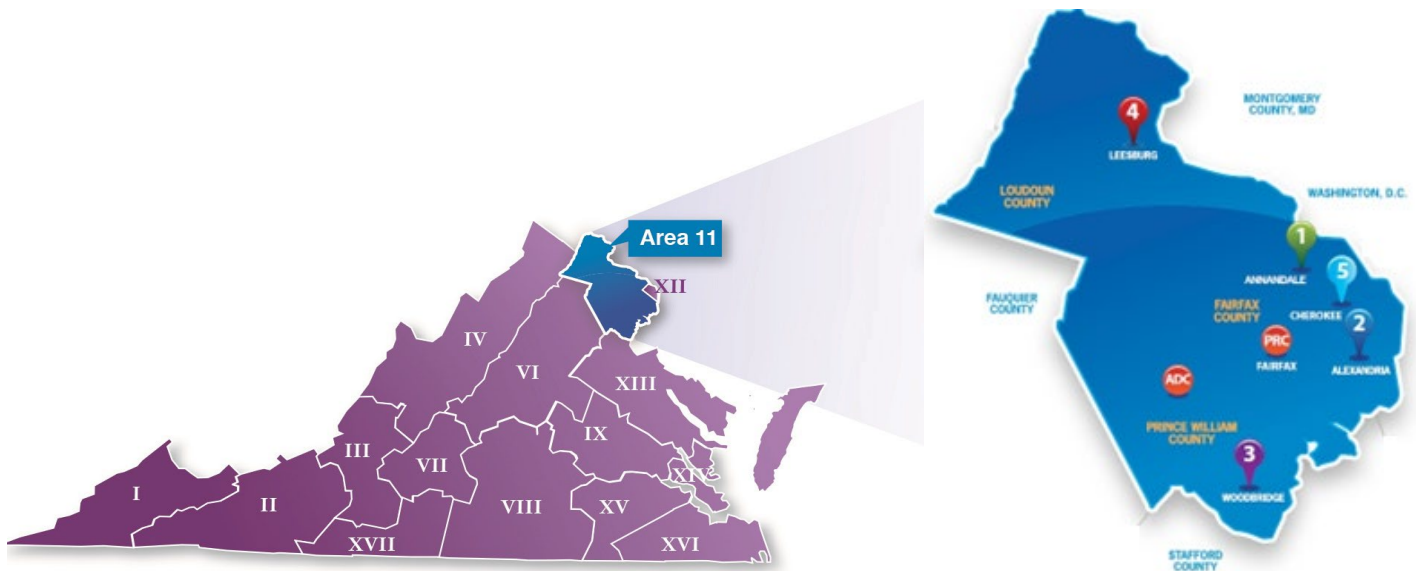
Virginia Career Works Northern Region (VCWNR) serves the counties of Fairfax, Loudoun, and Prince William, and the cities of Fairfax, Falls Church, Manassas, and Manassas Park (VCWNR service area).<sup>4</sup> Through the SkillSource Group, Inc., (SkillSource), Virginia Career Works Northern Region provides a comprehensive list of workforce development programs, such as the Workforce Innovation and Opportunity Act (WIOA) Adult, Youth, and Dislocated Worker programs; and other career services. In addition, five SkillSource-managed centers (One-Stop Employment Centers) operate in the region (Figure 2.1).

Each year, the SkillSource Group commissions a study of the economic and fiscal impacts of Virginia Career Works Northern Region focused on the varied workforce training and career services programs it provides. In addition, SkillSource seeks to understand the return on investment (ROI) of VCWNR programs and services. Chmura Economics & Analytics (Chmura) was contracted to perform such an analysis for Fiscal Year 2024.

The remainder of this report is organized as follows:

- Section 3 explains the methodology in conducting economic impact and return on investment analysis for workforce programs and services
- Section 4 provides a profile of VCWNR programs and services and an economic profile of Northern Virginia
- Section 5 analyzes the economic impact of VCWNR programs and services in Northern Virginia
- Section 6 performs the ROI analysis for VCWNR programs and services
- Section 7 provides a summary and conclusion

**Figure 2.1: Virginia Career Works Northern Region Center Locations**



Source: SkillSource Group. The numbers on the enlarged map (Area 11) represent VCWNR Center locations.

<sup>4</sup> This information is from the SkillSource website at <https://vcwnorthern.com/contact/>. Please note that the economic impact and economic profile are analyzed for the broader Northern Virginia region, which also includes Arlington County and the City of Alexandria.

### 3. Economic Impact Methodology

To maintain consistency with prior reports published by SkillSource on the economic impact and ROI of VCWNR programs and services, this study utilizes a methodology similar to previous studies.<sup>5</sup>

Based on the needs of SkillSource and a review of prior studies, this report includes three major components:

1. A profile of Virginia Career Works Northern Region programs and services, and an economic profile of Northern Virginia for FY2024
2. The economic impact of VCWNR programs and services in Northern Virginia for FY2024
3. Return on investment analysis of VCWNR programs and services for FY2024

#### 3.1 Profile of VCWNR and Economic Profile of the Northern Virginia

The profile of VCWNR summarizes existing programs and services and demonstrates their role in helping regional workers achieve career success. It also presents information such as a list of VCWNR programs and services, participants and job placements by program, and post-training wages for program participants. The main data sources for this analysis include SkillSource program reports, audited SkillSource financial records, and administrative data.

An economic profile of Northern Virginia offers a broad context to evaluate the economic impact and ROI of VCWNR programs and services. Chmura analyzed data on total employment and employment growth, employment by major industry sector, employment by ownership category, average wages, and unemployment rate for the region. Data from Chmura’s proprietary JobsEQ® platform are utilized to complete this analysis.

#### 3.2 Economic Impact Analysis

In this analysis, Chmura examined the economic impact of VCWNR programs and services in Northern Virginia. The main source of economic impact is the incremental income gained by individuals who either successfully transitioned into employment or gained new training with the help of VCWNR programs and services.<sup>6</sup>

For individuals unemployed prior to utilizing VCWNR programs and services, the incremental wage is equivalent to wages and salaries they receive in their new jobs. For individuals receiving training, the definition of incremental wage is the difference between pre- and post-training wages.

When individuals spend incremental income in Northern Virginia, additional economic impact is generated in the region. While incremental spending constitutes the direct economic impact of VCWNR programs and services in Northern Virginia, the total economic impact also includes economic ripple effects from the direct impact. Ripple effects, categorized as indirect and induced impacts (see Appendix 1 for definitions), measure the secondary benefits of increased household spending at regional businesses. For example, when newly employed individuals spend their wages on housing and groceries, they help other businesses and support additional jobs. The cumulative result of these secondary effects, or the indirect impact, represents business-to-business transactions, and induced impact when it represents household (employee)-to-business transactions.

Direct impact, measured as household spending from incremental income, was estimated based on data from SkillSource. Chmura estimated the indirect and induced economic impacts with multipliers from its JobsEQ® impact model after the direct impacts were estimated.

In the analysis, Chmura examined economic impacts of VCWNR programs and services in four dimensions:

1. Employment, or the total number of jobs supported in the regional economy through incremental household income
2. Labor income, or the salaries and wages associated with total employment

<sup>5</sup> For examples of previous studies, please see <https://vcwnorthern.com/public-documents/>.

<sup>6</sup> The operation of VCWNR will also generate positive economic impact in the area. In addition, VCWNR also manages other programs such as the Center for Business Planning and Development. Those impacts are not included in this study as the focus is the success of participants of VCWNR programs.

3. Economic output, or the total amount of regional economic activity generated through secondary indirect and induced transactions
4. Fiscal impact, or the federal, state, and local tax revenue because of the increased economic activity – Chmura directly estimated federal, state, and local taxes for the fiscal impact estimates

### 3.3 Return on Investment Analysis

In addition to the economic impact analysis, Chmura assessed the return on investment (ROI) of VCWNR programs and services. ROI is expressed as a benefit-to-cost ratio. In this study, the cost is represented by all expenses associated with workforce programs and services provided by Virginia Career Works Northern Region in FY2024. The benefit is represented by the total annual labor income attributable to VCWNR programs and services, resulting from new job placements and improved skills.<sup>7</sup>

To conclude the ROI analysis, Chmura computed a benefit-to-cost ratio for two broad programs. These programs included all non-self-service VCWNR programs, and all VCWNR programs and services, including One-Stop services.

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<sup>7</sup> This definition is consistent with prior studies.

## 4. Profile of VCWNR and the Northern Virginia Regional Economy

### 4.1 Profile of VCWNR Programs and Services

Virginia Career Works Northern Region provides a wide range of workforce training programs and services to regional jobseekers to help them locate employment in the area. In particular, VCWNR offers individuals the opportunity to enroll in services and also provides case management to those individuals in several structured workforce programs (non-self-service programs). VCWNR also maintains five One-Stop Employment Centers (SkillSource centers) where individuals in search of employment can utilize facilities and resources. Other programs help employed workers gain new knowledge and skills.

#### 4.1.1 Description of VCWNR Programs and Services

In FY2024, Virginia Career Works Northern Region provided career training and job placement services through the following programs:<sup>8</sup>

- **Workforce Innovation and Opportunity Act (WIOA) Programs**
  - WIOA Adult Program – provides employment and training services to assist eligible adults (individuals 18 years and older) find meaningful employment
  - WIOA Dislocated Worker Program – provides employment and training services to dislocated workers (individuals terminated, laid off, or those who received notice that they will be terminated or laid off) in finding meaningful employment
  - WIOA Youth Program – provides summer and year-round development programs to at-risk youth ages 16 – 24 (e.g., dropouts, foster children, juvenile offenders, children of incarcerated parents, and migrant children)
  - Senior Community Service Employment Program (SCSEP) – provides temporary community service training opportunities as a bridge to employment opportunities outside of the program
- **Other WIOA Grant Programs**
  - Refugee Assistance Program – provides employment and training services to assist eligible refugees, such as career counseling, internship assistance, training programs, and other support.
  - Supplemental Workforce Program – focuses on work-based learning activities, such as on-the-job training, registered apprenticeships, internships, and customized training, leading to job placement in in-demand occupations
- **Non - WIOA Grants Programs**
  - Talent Up Fairfax Program
    - Tailored to the needs of individuals demonstrating a COVID-related employment challenge
    - Intended to facilitate permanent employment opportunities
    - Provides essential job training services and internships
    - Participants must be residents of Fairfax County
  - Ticket to Work Program
    - A Social Security Administration (SSA) employment program
    - For social security disability beneficiaries between ages 18 and 64 who can and want to work
    - Goal is to increase opportunity and choice for Social Security disability beneficiaries in obtaining no-cost employment support
  - Temporary Assistance for Needy Families (TANF)
    - SkillSource currently manages three TANF grants focused on assisting jobseekers with children under 18 who have barriers such as low income, a history of legal problems, and/or disabilities

<sup>8</sup> The impact of some programs may not be evaluated if data are not available.



- These grants support individuals as they enter the workforce and maintain their employment
- Offers the prospect of a career path and wage growth

- ELEVATE – provides training programs, support services, and career assistance to help residents get and keep in-demand jobs

In the following analysis, Chmura refers to all programs and services (other than One-Stop services) as VCWNR non-self-service programs. Economic impact and ROI evaluations are conducted for all VCWNR programs and services, and for non-self-service programs.

#### 4.1.2 Outcome of VCWNR Programs and Services

Table 4.1 summarizes participants and job placements for different VCWNR programs and services in FY2024. In FY2024, a total of 763 individuals were enrolled in WIOA Adult, WIOA Dislocated Worker, and WIOA Youth programs. In addition, 206 individuals utilized other WIOA grant programs including SCSEP, Refugee Assistance, and Supplemental Workforce programs. Adding to the total, 603 individuals used other programs such as Ticket to Work, TANF, Talent Up Fairfax, and ELEVATE. Finally, 47,611 unique individuals accessed the One-Stop Employment Centers to conduct job searches.

In total, these programs and services were instrumental in transitioning 615 individuals to employment, with an average annual wage of \$53,053. Out of this number, WIOA Adult, Dislocated Worker, and Youth programs placed 279 individuals into employment. Other programs facilitated employment for an additional 336 jobseekers.

Previous reports sometimes used regional entry-level wages for jobs which typically require short-term on-the-job training, no experience, and no education to estimate wages for participants in WIOA Youth programs. This year VCWNR tracked wages for participants in WIOA Youth programs. Participants earned an average hourly wage of \$18.56, higher than the estimated entry-level wage of \$16.49.

**Table 4.1: Virginia Career Works Northern Region and Job Placements in FY2024**

Programs & Services	Enrollment	Job Placements	Average Incremental Annual Salary
<b>WIOA Enhanced Career Services</b>	<b>763</b>	<b>279</b>	<b>\$54,204</b>
WIOA – Adult	456	203	\$54,538
WIOA – Dislocated Worker	64	26	\$81,598
WIOA – Youth	243	50	\$38,605
<b>Other WIOA Grant Programs</b>	<b>206</b>	<b>71</b>	<b>\$51,599</b>
SCSEP	120	12	\$39,624
Refugee Assistance Program	38	27	\$49,421
Supplemental Workforce Program	48	32	\$57,928
<b>Other Programs</b>	<b>603</b>	<b>168</b>	<b>\$44,570</b>
Ticket to Work	123	10	\$35,381
TANF	111	41	\$42,805
Talent Up Fairfax	144	4	\$52,000
ELEVATE	225	113	\$45,760
<b>Total Non-Self-Service Programs</b>	<b>1,572</b>	<b>518</b>	<b>\$50,722</b>
<b>One-Stop Services</b>	<b>47,611</b>	<b>97</b>	<b>\$65,499</b>
<b>Total VCWNR Programs &amp; Services</b>		<b>615</b>	<b>\$53,053</b>

Source: VCWNR



## 4.2 Regional Economic Profile

### 4.2.1 Trend in Employment and Wages

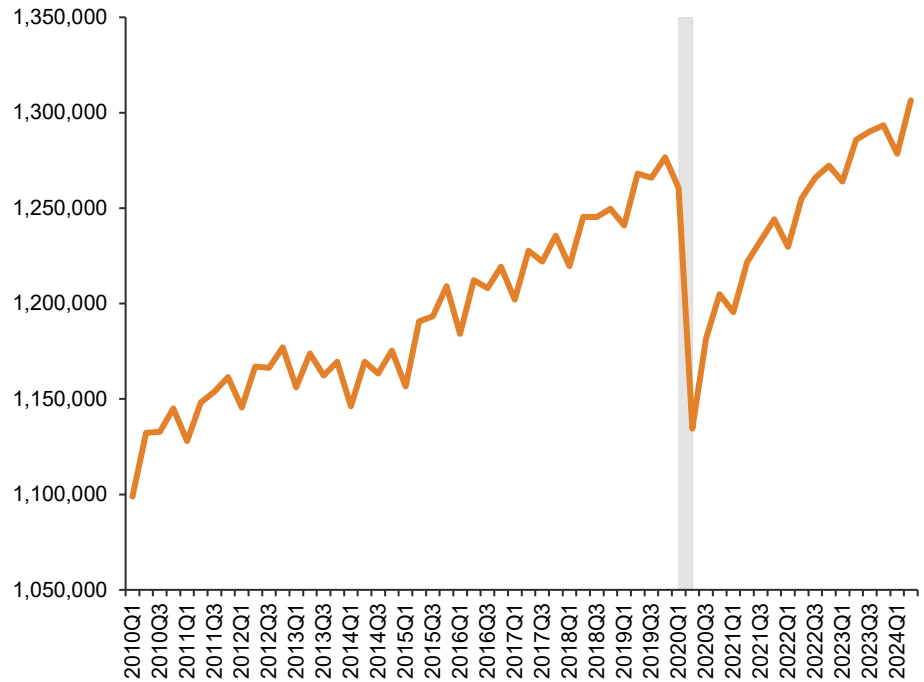
Employment size and growth is the broadest and timeliest indicator of a region's overall economic health. A growing labor market also increases the chance that participants of VCWNR programs and services can find meaningful employment in the region.

In the second quarter of 2024, the Northern region reached a total wage and salaried employment of 1,306,520, 1.6% higher than the second quarter of 2023. Employment was also 15.2% higher than in the second quarter of 2020, when employment levels plummeted due to the COVID-19 pandemic.<sup>9</sup>

Figure 4.1 depicts quarterly trends in total employment in Northern Virginia since 2010. The overall trend shows expansion of employment growth, with the recent exception of a large decrease in the first and second quarter of 2020 due to the COVID-19 pandemic. In the fourth quarter of 2019, employment peaked at 1.28 million before dropping to 1.13 million in the second quarter of 2020. The drop in employment returned the region's employment level to its lowest point since the first quarter of 2011. The region recovered from lost employment in the second quarter of 2023 and continues to improve beyond pre-pandemic levels. Currently, employment is 2.3% higher than the previous peak in 2019.

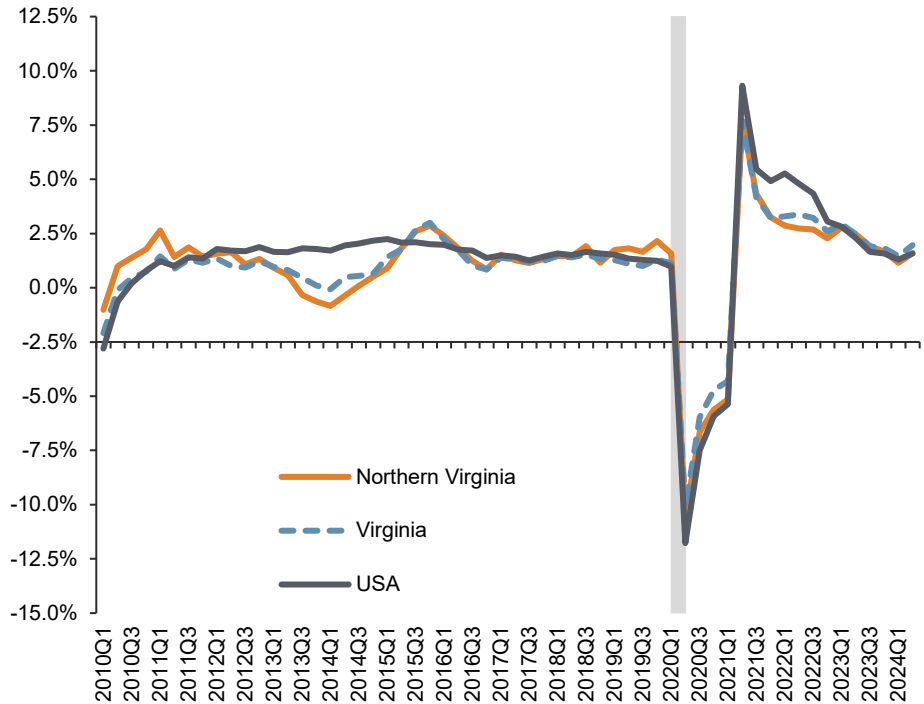
As Figure 4.2 shows, Northern Virginia, employment growth in the region was steady from 2015 to the fourth quarter of 2019. However, a sharp decline occurred in the second quarter of 2020 due to the COVID-19 pandemic, followed by a healthy recovery throughout FY2021. Since FY2022, employment growth in all three regions slowed as employment numbers moved closer to pre-pandemic levels. In FY2024, Northern Virginia saw an average growth rate of 1.6%, slightly higher than the United States' average of 1.5% and 0.3 percentage points lower than Virginia's average employment growth.

Figure 4.1: Northern Virginia Quarterly Wage and Salaried Employment



Source: JobsEQ® by Chmura

Figure 4.2: Employment Growth, Percent Change, Year-over-Year

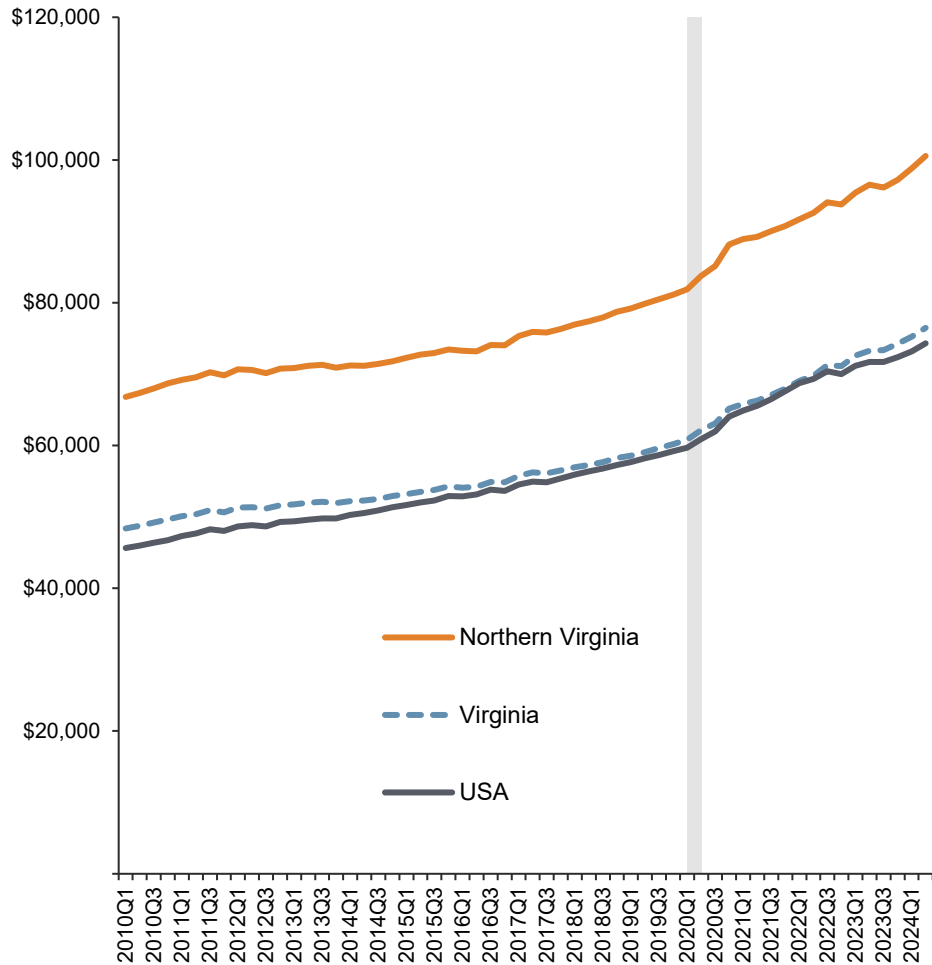


Source: JobsEQ® by Chmura

<sup>9</sup> Wage and salaried employment does not include proprietors or self-employed individuals. Chmura excluded those groups to be consistent with prior studies.

At the end of FY2024, the average annual wage per worker in Northern Virginia was \$100,572, 31% higher than the average wage in Virginia (\$76,486) and 35% higher than the national average (\$74,318). As shown in Figure 4.3, the average annual wage in Northern Virginia consistently stayed significantly higher than the state and national average. Since 2010, Northern Virginia's wages, on average were 35% higher than Virginia's average wage and 39% higher than the national average. As analyzed later in this report, the higher average wage can be primarily attributed to the industry mix of the region. Northern Virginia possesses a high concentration of professional services, high-tech jobs, and federal government employees, which tend to pay high salaries. However, wage growth in Northern Virginia trailed both state and national averages. Since 2010, the average annual wage per worker in Northern Virginia grew on average 2.8% year-over-year, compared with state and national averages of 3.2% and 3.3%, respectively.

Figure 4.3: Average Annual Wages



Source: JobsEQ® by Chmura

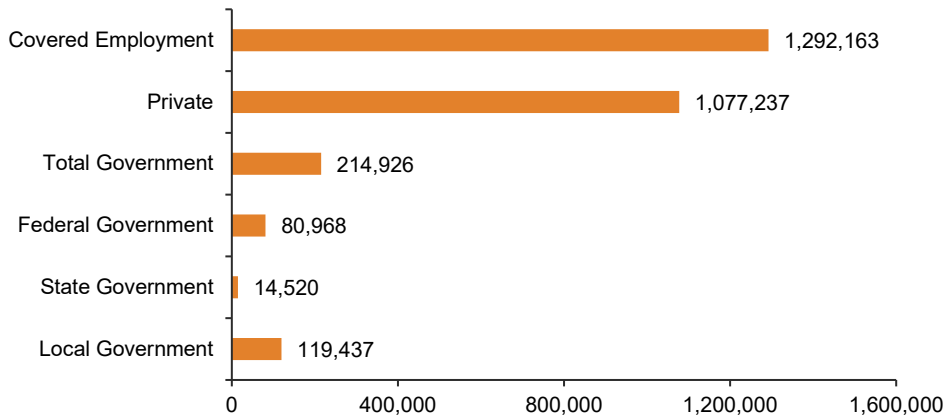
### 4.2.2 Employment and Wage by Ownership

Figure 4.4 provides a breakdown of total wage and salaried employment in Northern Virginia by ownership category in FY2024. In FY2024, 83.4% of employment occurred in the private sector, with 1.08 million jobs out of the total 1.29 million. The federal, state, or local government provided the remaining 214,926 (16.6%) jobs. Over half of those employed by the government held positions in local government, 37.7% by the federal government, and the smallest proportion of 6.8% in state government. All government employment accounts for 16.6% of Northern Virginia’s employment, lower than the state’s average of 17.8%. However, Northern Virginia has a higher proportion of federal employees (6.3%), compared to the state (4.7%).

Among different ownership categories, average annual wages are the highest for federal workers, averaging \$134,312 at the end of FY2024. This number ranks significantly higher than the average of \$100,572 for all wage and salaried workers in Northern Virginia (Figure 4.5). In contrast, workers employed in state and local governments earned average wages of \$74,982 and \$73,675, respectively – lower than wages in the federal government and private sector.

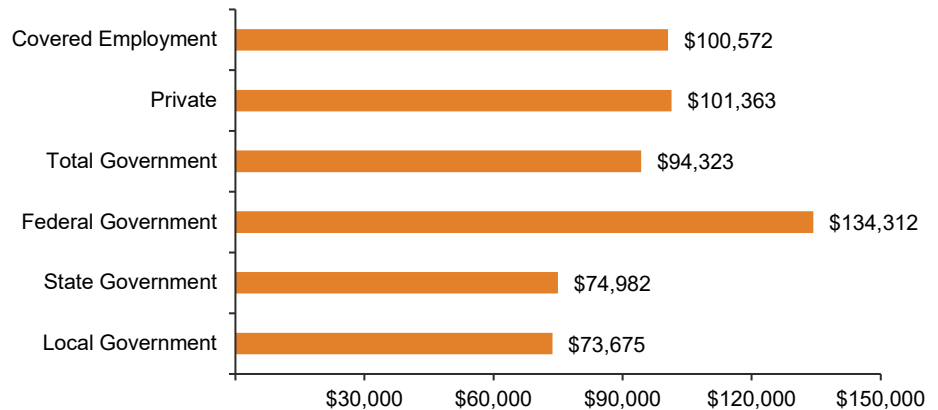
Figure 4.6 depicts the changes in employment by ownership category from FY2023 to FY2024 in Northern Virginia. Employment growth in the region was slower than in FY2023 as the Federal Reserve took steps to cool inflation. As a result, the private sector added fewer jobs in FY2024, only 20,140 compared to 32,223 during FY2023. The majority of this decrease resulted from slowed hiring in the private sector, which added 15,851 additional jobs compared to 29,671 in FY2023. However, employment in overall government jobs increased by over 4,000 in FY2024. In FY2024, the federal government expanded in the region, adding 229 jobs. The state government added 102 jobs, and local government expanded by 3,957 jobs. Local government contributed the most to the expansion in total government jobs in FY2024, though all levels of government grew over the year.

Figure 4.4: Employment by Ownership Category, FY2024



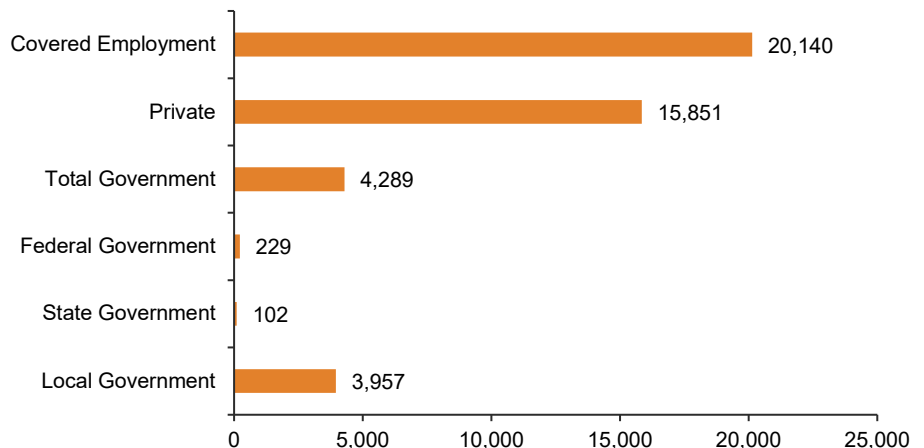
Source: JobsEQ® by Chmura

Figure 4.5: Average Annual Wage by Ownership Category, FY2024



Source: JobsEQ® by Chmura

Figure 4.6: Annual Change in Employment by Ownership Category, FY2023 to FY2024



Source: JobsEQ® by Chmura

### 4.2.3 Employment and Wage by Industry Sector

Northern Virginia employment covers a diverse mix of industries. As Figure 4.7 shows, in FY2024, the largest industry by employment was professional, scientific, and technical services (268,535 jobs), followed by health care and social assistance (142,404), and retail trade (109,758). Other large industry sectors included educational services (107,155), accommodation and food services (105,447), and public administration (96,860).<sup>10</sup> These are the same five largest industries by employment as FY2023, each industry increasing in employment in FY2024, except for the retail trade industry.

Figure 4.8 presents the average annual wages by major industry in Northern Virginia for FY2024. The average wage of all industries in FY2024 was \$100,572. Management of companies and enterprises was the highest-paying industry, with an average annual wage of \$232,827. This industry represents various corporate headquarters in Northern Virginia and employs many corporate executives and highly skilled professionals. The information industry ranked second, with an average annual wage of \$171,536. Other high-paying industries included finance and insurance (\$169,181 average annual wage), professional, scientific, and technical services (\$153,429), and wholesale trade (\$145,060).

On the other end of the spectrum, industries in both accommodation and food services and agriculture, forestry, fishing and hunting paid the lowest annual wages, averaging \$32,823 and \$45,787, respectively, in FY2024. Workers in those industries may have faced challenges to maintain a certain standard of living, since costs for housing and transportation in Northern Virginia are higher than in other areas of Virginia.

Figure 4.9 summarizes the employment changes by industry in the Northern region between FY2023 and FY2024. The largest employment gains over the period occurred in health care and social assistance (+9,119 jobs), educational services (+4,065), and accommodation and food services (3,764). On

Figure 4.7: Employment by Major Industry, FY2024

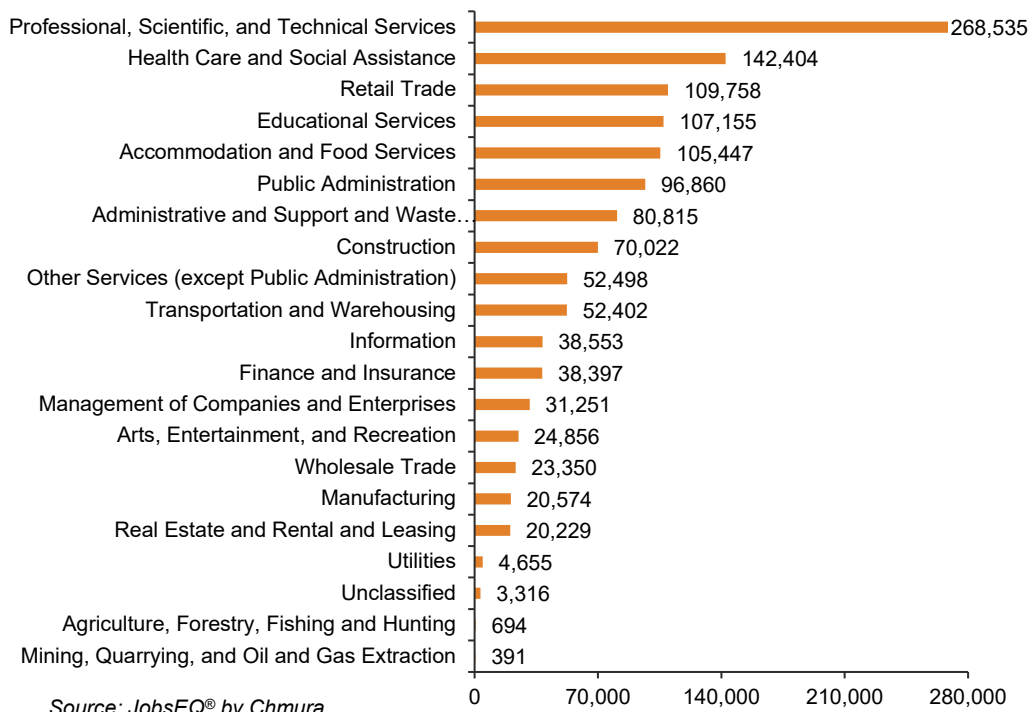
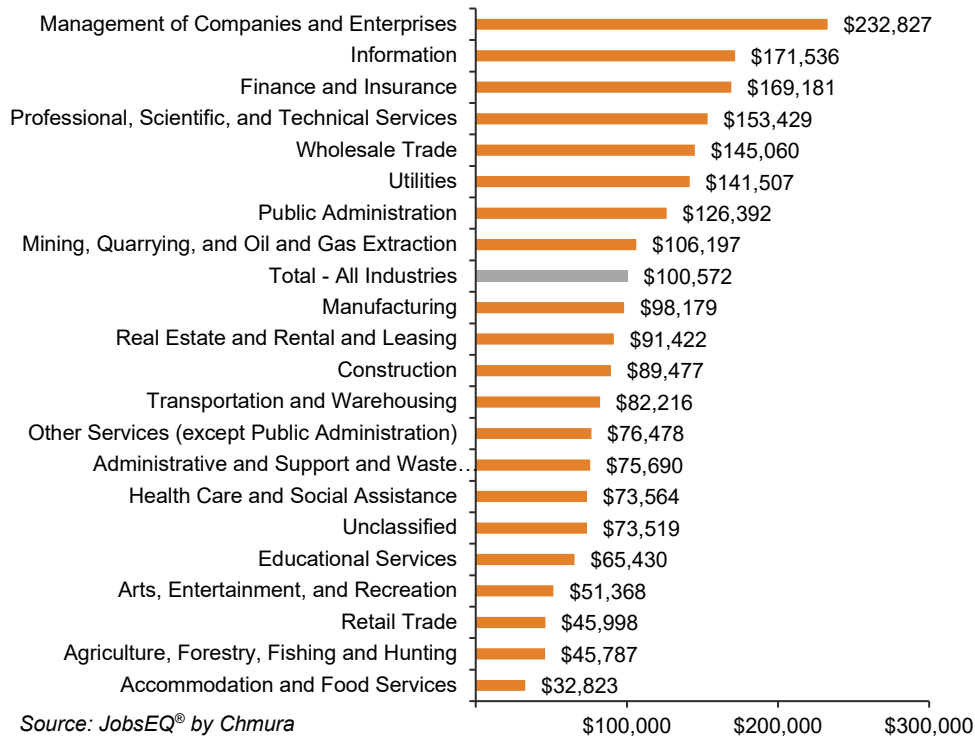


Figure 4.8: Average Annual Wages by Major Industry, FY2024



<sup>10</sup> Please note that employees of public schools are classified as government employees by ownership category, but by industry, they are classified as working in the education services industry. For this reason, employment in public administration was smaller than total government jobs.

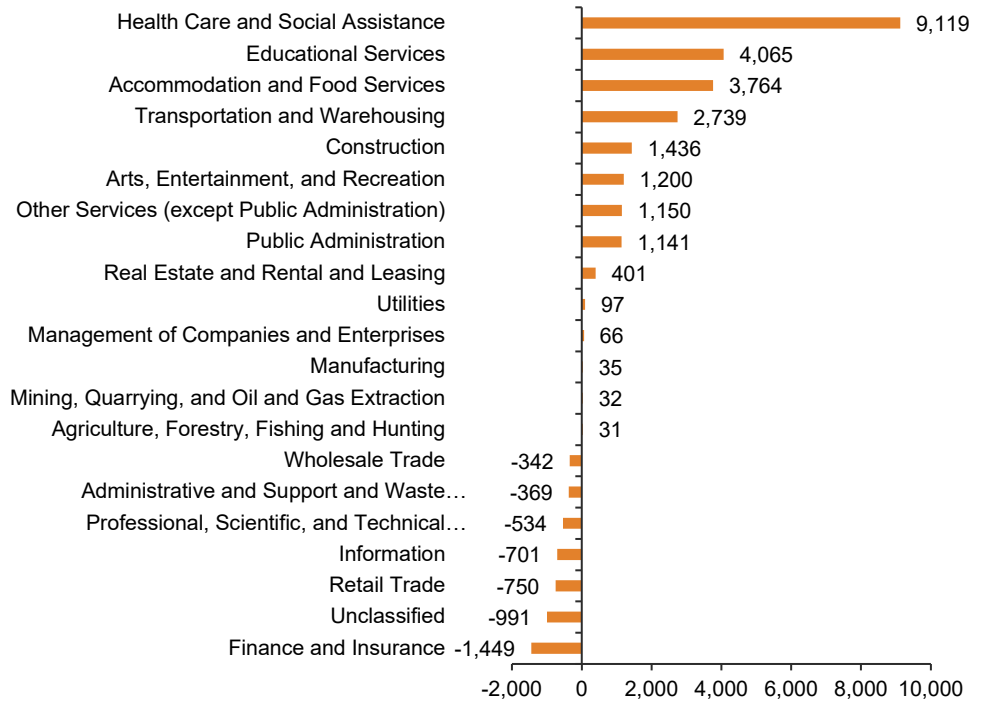
the other hand, the largest employment losses over the period occurred in finance and insurance (-1,449) and retail trade (-750). From the perspective of many participants of VCWNR programs and services, opportunities may lie in industries forecasted to grow in the long run, such as health care and social assistance, educational services, and transportation and warehousing.

#### 4.2.4 Unemployment Rate

Another broad indicator of the health of a regional economy is the unemployment rate. Figure 4.10 compares recent unemployment trends in Northern Virginia to those at the state and national levels. The unemployment rate data is monthly from January 2010 through November 2024, the most recent available data.

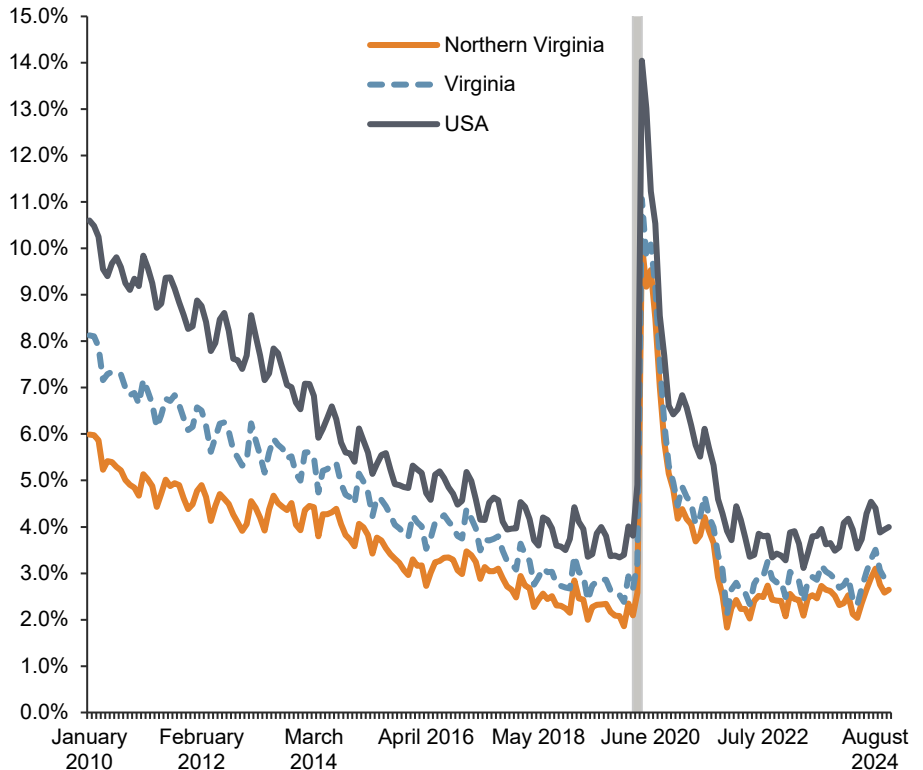
Unemployment rates steadily declined from 2010 to 2020, as the country and region recovered from the 2007 to 2009 recession. Northern Virginia's unemployment rate also fell consistently lower than the national rate and Virginia's unemployment rate. The pandemic resulted in an unemployment rate spike in April 2020 to 10.1% in the region compared with 11.1% in the state but that number steadily declined since that time. At the end of FY2024 (June 2024), unemployment rates stood at 2.7% in Northern Virginia, 3.0% statewide, and 4.3% nationally. As of the most recent data, November 2024, unemployment for Northern Virginia is at 2.6%, Virginia 3.0%, and the national rate at 4.0% — slight decreases from the end of the fiscal year. The low regional unemployment rate indicates a tight labor market in Northern Virginia. The resilient economy and its recovery are favorable for participants of VCWNR programs and services because they increase the likelihood of finding employment with adequate wages in the region.

Figure 4.9: Employment Change by Major Industry, FY2023 to FY2024



Source: JobsEQ® by Chmura

Figure 4.10: Monthly Unemployment Rate, January 2010 to November 2024



Source: JobsEQ® by Chmura

## 5. Economic Impact of VCWNR

The main benefit for a jobseeker who enrolls in VCWNR workforce training programs and services is the potential for obtaining a job, gaining new skills, and receiving higher earnings. When they spend this additional income within local communities, it generates additional economic impact in the Northern Virginia region.

As shown in Table 5.1, a total of 615 individuals found employment after enrolling in VCWNR programs in FY2024. Their average incremental wage was \$53,053 per year, higher than the average entry-level wage in the region. As a result, these programs generated an estimated total annual incremental household income of \$32.6 million. This figure includes \$18.8 million for the incremental income of those who either found jobs or received training through VCWNR WIOA programs. The figure for those using other programs such as Talent Up Fairfax and Elevate is \$7.5 million.

**Table 5.1: Additional Household Income Attributable to VCWNR Programs, FY2024**

Programs & Services	Job Placements	Incremental Average Annual Salary	Incremental Total Household Income (\$Million)
<b>WIOA Enhanced Career Services</b>	<b>279</b>	<b>\$54,204</b>	<b>\$15.1</b>
WIOA – Adult	203	\$54,538	\$11.1
WIOA – Dislocated Worker	26	\$81,598	\$2.1
WIOA – Youth	50	\$38,605	\$1.9
<b>Other WIOA Programs</b>	<b>71</b>	<b>\$51,599</b>	<b>\$3.7</b>
SCSEP	12	\$39,624	\$0.5
Refugee Assistance Program	27	\$49,421	\$1.3
Supplemental Workforce Program	32	\$57,928	\$1.9
<b>Other Programs</b>	<b>168</b>	<b>\$44,570</b>	<b>\$7.5</b>
Ticket to Work	10	\$35,381	\$0.4
TANF	41	\$42,805	\$1.8
Talent Up Fairfax	4	\$52,000	\$0.2
ELEVATE	113	\$45,760	\$5.2
<b>Total Non-Self-Service Programs</b>	<b>518</b>	<b>\$50,722</b>	<b>\$26.3</b>
<b>One-Stop Services</b>	<b>97</b>	<b>\$65,499</b>	<b>\$6.4</b>
<b>Total VCWNR Programs &amp; Services</b>	<b>615</b>	<b>\$53,053</b>	<b>\$32.6</b>

*Note: Numbers may not sum to total due to rounding*  
 Source: VCWNR

### 5.1 Economic Impact of VCWNR WIOA Programs

Excluding job placements through One-Stop Services, a total of 518 individuals found jobs with the help of VCWNR WIOA programs in FY2024. They earned \$26.3 million in annual incremental income from wages and salaries.

Chmura assumes that almost all consumption expenditures occurred within the Northern Virginia region. In addition, the economic impact is estimated based on a “representative year”, assuming all those individuals work a full year, even though employment start dates were likely spread out over FY2024.<sup>11</sup>

**Table 5.2: Economic Impact of VCWNR WIOA Programs, FY2024**

	Employment	Labor Income (\$Million)	Output
Direct Impact	518	\$26.3	\$0.0
Indirect & Induced Impact	105	\$4.7	\$24.2
<b>Total Impact</b>	<b>623</b>	<b>\$31.0</b>	<b>\$24.2</b>
	State & Local	Federal	Total
Fiscal Impact (\$Million)	\$1.7	\$3.2	\$4.9

*Note: Numbers may not sum due to rounding*  
 Source: Chmura, JobsEQ®

Table 5.2 sums up the economic impact of WIOA programs in the Northern Virginia region in FY2024. In terms of regional employment, the 518 individuals who transitioned into employment through VCWNR programs represent the direct impact. Household expenditures

<sup>11</sup> This same assumption has been used in previous studies.



made by these newly employed individuals also supported an additional 105 jobs in the area through indirect and induced impact, for a total employment impact of 623 jobs in the Northern Virginia region.

For regional labor income, the direct impact is represented by \$26.3 million in annual wages and salaries paid to individuals participating in VCWNR WIOA programs. Household spending by these individuals also generated \$4.7 million in additional regional labor income through indirect and induced impact, for a total regional labor income of \$31.0 million in FY2024.

Household spending by newly employed individuals also generated \$24.2 million in additional annual total economic output in the region. In addition, we estimate that this household spending generated \$1.7 million in state and local tax revenue, and \$3.2 million in federal tax revenue—for a total fiscal impact of \$4.9 million in FY2024.

## 5.2 Economic Impact of all VCWNR Programs and Services

Including job placements from One-Stop Services, VCWNR programs and services helped a total of 615 individuals find jobs in FY2024. They earned an estimated \$32.6 million in annual income in terms of wages and salaries.

Table 5.3 summarizes the economic impact of all VCWNR programs and services in the Northern Virginia region in FY2024. In terms of regional employment, direct impact is represented by 615 individuals who transitioned into employment through VCWNR programs and services. Household expenditures made by these individuals supported an additional 130 jobs in the area through indirect and induced impact, for a total regional employment impact of 745 jobs.

**Table 5.3: Economic Impact of all VCWNR Programs and Services, FY2024**

	Employment	Labor Income (\$Million)	Output
<b>Direct Impact</b>	615	\$32.6	\$0.0
<b>Indirect &amp; Induced Impact</b>	130	\$5.8	\$30.1
<b>Total Impact</b>	745	\$38.5	\$30.1
	State & Local	Federal	Total
<b>Fiscal Impact (\$Million)</b>	\$2.1	\$3.9	\$6.0

*Note: Numbers may not sum due to rounding*  
 Source: Chmura, JobsEQ®

For regional labor income, annual wages and salaries of \$32.6 million paid to individuals benefiting from all VCWNR programs and services represent the direct impact. Household expenditures by these individuals generated \$5.8 million in regional labor income through indirect and induced impact, for a total regional labor income of \$38.5 million in FY2024.

Household spending by newly employed individuals generated an additional \$30.1 million in total economic output in the region.

Further, household spending generated \$2.1 million in additional state and local tax revenue, and \$3.9 million in additional federal tax revenue. The total fiscal impact was \$6.0 million in FY2024.



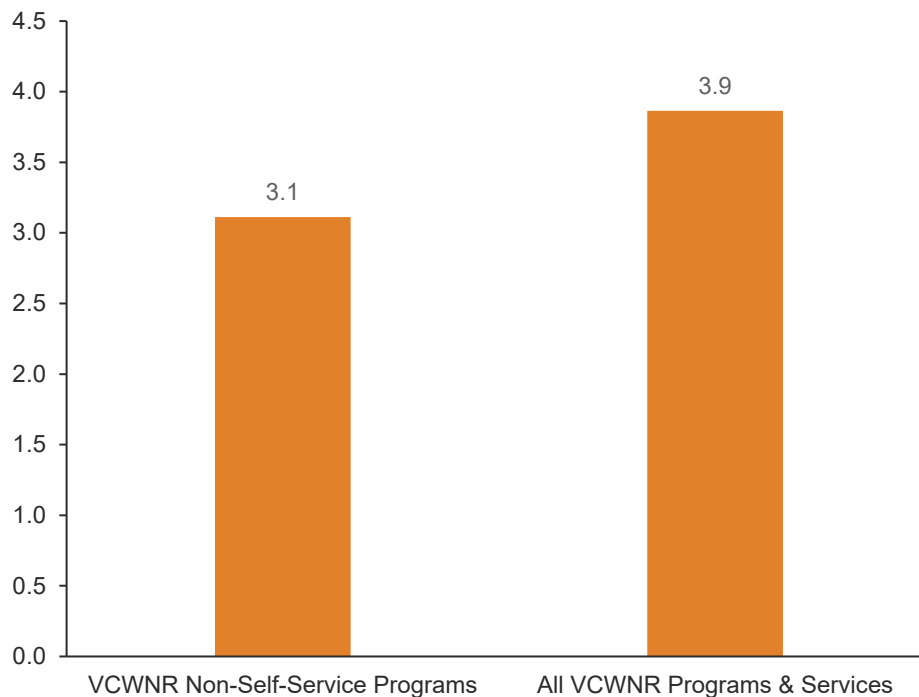
## 6. Return on Investment

In FY2024, the public cost associated with delivering VCWNR programs and services was \$9.96 million. Comparing this cost to the benefit derived from these programs, and measured in total labor income, Chmura estimates a benefit-to-cost ratio of 3.1 in FY2021 for VCWNR Non-Self-Service programs. This figure indicates that the benefit derived from the programs exceeded more than three times the public cost (Figure 6.1).

When expanding the analysis to encompass all programs and services provided by VCWNR, the benefit-to-cost ratio rises to 3.9 in FY2024, indicating that the benefit exceeded the public cost by nearly four times the investment.

The ratios estimated in this section only capture the annual benefits of VCWNR programs and services. However, benefits recur in the Northern Virginia region each year, assuming those individuals remain employed. As a result, the long-term return on investment of these programs and services can rise significantly higher.

**Figure 6.1: Benefit-to-Cost Ratio of VCWNR Programs and Services, FY2024**



## 7. Conclusion

In FY2024, Virginia Career Works Northern Region made significant contributions to the regional economy during a period of growth. The system helped 615 individuals obtain jobs in FY2024 and saw approximately \$32.6 million in associated incremental household income for those individuals. The total impact of those programs and services is estimated to be 745 jobs in the Northern Virginia region, associated with \$38.5 million in total regional labor income, \$30.1 million in additional regional economic output, and \$6.0 million in state, local, and federal tax revenue.

Excluding job placements through One-Stop Services, Virginia Career Works Northern Region helped 518 individuals obtain employment through its WIOA programs in FY2024, with an increased household income of approximately \$26.3 million for those individuals. The total estimated impact of those programs includes 623 jobs in the Northern Virginia region and is associated with \$31.0 million in total regional labor income, \$24.2 million in additional regional economic output, and \$4.9 million in state, local, and federal tax revenue.

In FY2024, the public cost associated with all VCWNR programs and services was \$9.96 million. Comparing benefit and cost, the benefit-to-cost ratio for VCWNR non-self-service programs was 3.1, while the benefit-to-cost ratio rose to 3.9 for all VCWNR programs and services.

## Appendix 1: Impact Analysis Glossary

*Impact Analysis* – An examination of business-business and business-consumer economic relationships capturing all monetary transactions in a given period, allowing one to calculate the effects of a change in an economic activity on the entire economy (input-output analysis)

*Direct Impact* – Economic activity generated by a project or operation. For construction, this represents the activity of the contractor; for operations, this represents activity by tenants of the property

*Indirect Impact* – Secondary economic activity that is generated by a project or operation. An example might be a new office building generating demand for parking garages

*Induced (Household) Impact* – Economic activity generated by household income resulting from direct and indirect impacts.

*Ripple Effect* – The sum of induced and indirect impacts. In some projects, it is more appropriate to report ripple effects than indirect and induced impacts separately

*Total Economic Impact* – The sum of the direct, indirect and induced impact

*Fiscal Impact* – The tax revenue for federal, state or local governments derived from the direct economic impact. Appendix 2 shows the fiscal impact when ripple effects are also included

*Multiplier* – The cumulative impacts of a unit change in economic activity on the entire economy

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