

WIOA Strategic Workforce Development Plan

Regional Plan Modifications Template

PYs 2026-2027



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Regional Area Information

TN Regional Area: _____

Local Workforce Development Area(s) Contact Information:

Executive Director Name

Email Address

Regional Director Contact Information:

Regional Director Name

Email Address

Date of Form Submission: _____

Regional Labor Market Analysis:

- a. Utilizing the data provided by TDLWD WIRRED Report, provide an **updated** analysis of regional economic conditions, including existing and emerging in-demand sectors and occupations, and the employment needs of businesses in those sectors and occupations.

- b. Describe the knowledge, skills and abilities needed to meet the employment needs of businesses in those sectors and occupations.

- c. Provide an **updated** analysis of the regional workforce, incorporating current labor employment and unemployment data, information on labor market trends, and educational and skill levels of the workforce, including individuals with barriers to employment.

- d. How will these **updated** analyses be shared with all partners and used to influence decisions regarding the regional workforce system?

Support of State Initiatives:

- a. Labor Force Participation Rate (LFPR)
 - i. Describe how the region will coordinate a collective approach to ensuring a regional workforce system that helps people, particularly those within special populations, enter, reenter, and advance within the labor market, in effort to increase the regional LFPR.

- ii. What regional initiatives will be implemented to promote reemployment and career mobility through multiple avenues; work-based learning, short-term credentials, stackable training opportunities, and pathways that recognize prior experience and demonstrated ability?

b. Business Engagement

- i. How will the region ensure consistent implementation of **TNWorks** to provide streamlined solutions **and consistent messaging** to employer customers?

- ii. How will the RPC **utilize established regional business intermediaries and economic development groups to** facilitate the sector partnerships necessary to drive sector strategies and address the needs of business and industry?

- iii. Describe how the RPC will utilize TDLWD Regional Directors to facilitate **TNWorks** and promote alignment with economic development within the region, including how the Regional Directors will report progress to the RPC.

- c. Youth Employment Program (YEP)
 - i. What opportunities exist for a collective approach to YEP implementation across the region, **particularly focused on work experience placements within high demand and emerging sectors?**

- ii. How will the RPC leverage partnerships to increase YEP participation and job placement within the region? **Include how the RPC will utilize employer partnerships, non-profits, and program partnerships, such as Vocational Rehabilitation, within the Region.**

- d. State Registered Apprenticeships
 - i. Describe how the RPC plans to collectively expand State Registered Apprenticeships through diversifying and accelerating apprenticeship programs aligned with in-demand sectors for the region.

- ii. Describe how the RPC will coordinate a regional plan to scale apprenticeships, aligning education and training programs to career pathways, and targeting federal and state investments toward employer-led upskilling initiatives designed to fill talent shortages in high demand sectors.

Regional Service Strategies:

- a. Provide an **updated** analysis of workforce development activities, including education and training, **focused on industry driven needs** within the region.
 - i. What are the strengths and weaknesses of the workforce development activities and the collective capacity to provide workforce development activities to address the education and skill needs of the workforce, including individual with barriers to employment.

- b. **Provide an updated plan for** how the RPC will support alignment and integration of education and workforce and economic development across the region?
 - i. How will the RPC **assess** and measure **impact** of integrated workforce strategies?

- c. Describe **how** the RPC has **updated its** strategic vision to support **federal priorities and state initiatives** that foster regional economic growth.
- i. What innovative service strategies will be used to address regional educational and **industry-driven** training needs?
 - ii. What cooperative procedures, either formal or informal, will the partners establish to best align regional services and coordinate regional delivery?

Sector Initiatives for In-Demand Sectors or Occupations:

- a. Identify in-demand industry sectors and occupations **for 2026-2027** within the region **using updated data provided from TDLWD WIRRED Report.**

- b. Describe the development and implementation of sector initiatives for in-demand industry sectors or occupations. **Include a description of how the RPC will ensure sector initiatives are driven by industries within the region.**

- c. How will these sector initiatives be tracked and measured for **impact**?
Include any accountability measures assigned to LWDAs within the region.

Economic Development/Business Engagement:

- a. How will the RPC ensure employers play a central role in defining in-demand skills, validating training models, and steering investments toward the roles and credentials that matter most? Include how the RPC will prioritize results and reward programs that place workers directly into apprenticeships or other work-based learning opportunities leading to in-demand jobs.

- b. **How will** the RPC ensure a collective regional approach to initiatives (such as registered apprenticeships, incumbent worker training programs, on-the-job training programs, and customized training solutions) **be modified** to facilitate **increased** engagement of businesses, including small businesses and businesses in in-demand sectors and occupations, **and how will their impact be measured?**

- c. **Considering federal priorities and state initiatives, provide an update on what innovative initiatives, utilizing tools such as registered apprenticeships, incumbent worker training programs, on-the-job training programs, and customized training solutions, will the RPC coordinate to meet the training needs of employers across LWDAs?**

Coordination of Supportive Services:

- a. **Applying flexibility and innovation**, describe how supportive services, **including transportation and childcare**, will be **aligned** and coordinated throughout the region.

- b. Explain where diverse demographics make regional coordination of supportive services a challenge. **What has been done to provide solutions** and how the RPC will ensure barriers are equitably addressed?

Performance Accountability:

- a. Describe **updated** strategies relating to the performance accountability measures based on performance indicators to include State and Local Measures (Key Performance Indicators), to include:
 - i. How the RPC will work with each LWDA to achieve the negotiated **federal measures and state KPIs?**
 - ii. How will the **KPIs** be monitored and **impact assessed and measured?**

- b. What additional metrics, outside of KPIs, will the region measure to determine success of regional strategies and **assess impact of initiatives? How will the RPC know if the workforce needle is moving?**

Coordination of Cost Arrangements:

- a. Describe the coordination of administrative cost arrangements, including the pooling of funds for administrative costs, as appropriate.

- b. Identify any additional funding resources the region plans to collectively seek, including opportunities for LWDA's to partner towards application of non-WIOA grants.

- c. Identify opportunities for the RPC to collaborate with industry groups or sector partnerships to coordinate cost-sharing arrangements, or to partner towards application of sector-based grant funds.

Public Comment:

- a. Describe the process used by the region to provide a period of **at least 15 but** no more than 30 days for public comment.

Stakeholder Involvement:

- a) Describe how stakeholder requirements were met for the regional plan **modifications**, pursuant to the TDLWD Regional and Local Plan policy.

- b) Describe outreach efforts to all required planning partners and provide relevant information on all plan **modification** meetings, listening sessions, or other public meetings related to the plan **modifications** process.

Attachments:

- a. Documentation of CLEO approval (sample provided)

Regional Plan Signatures

This Regional Plan represents our area's collective efforts to maximize and coordinate efforts and resources available under Workforce Innovation Opportunity Act. (WIOA)

Instructions:

The Chief Local Elected Officials in this region must sign and date this form.

By signing below, the Chief Local Elected Officials in this region request approval of region's 2026-2027 Regional Plan Modifications.

Chief Local Elected Official Name	Signature	Date
<u>Mayor Mark Ward, Northwest</u>	 <small>Signer ID: XA0UOZ7D15...</small>	04/14/2026 PDT
<u>Mayor Mike Creasy, Southwest</u>	 <small>Signer ID: SDIUUOAH16...</small>	04/14/2026 PDT
<u>Mayor Lee Harris, Greater Memphis</u>		4/21/26

APPROVED AS TO FORM AND LEGALITY:


 Shelby County Attorney

Public Notice

Local and Regional Strategic Plans

Available for Public Comment

The Northwest Local Workforce Development Area serving Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, and Weakley Counties, and

The Southwest Local Workforce Development Area serving Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, Madison, and McNairy Counties, have each prepared modifications to the Local Strategic Plans for 2024-2027.

Additionally, the Northwest Area, Southwest Area, and Greater Memphis Area, serving Lauderdale, Tipton, Fayette, and Shelby Counties have prepared modifications to the Regional Strategic Plan for 2024-2027.

The Local and Regional Strategic Plans are

OPEN FOR PUBLIC COMMENT FROM 12:00 PM ON APRIL 9 to 12:00 PM ON APRIL 24, 2026

and will be available online at www.tnworks.org, or hard copies are available at any American Job Center upon request, during this time.

A Public Listening Session has been scheduled for April 20, 2026 AT 5:15 PM.

Join Teams Meeting:

<https://teams.microsoft.com/meet/27017045177503?p=HGvMmXBtCOvGFH2E2T>

Meeting ID: 270 170 451 775 03

Passcode: UU3zk7RR

(in-person option available upon request)

All meetings are open to the public.

Submit comments or questions in writing to Jennifer Bane, Executive Director, at 208 N. Mill Ave. Dyersburg, TN 38024 or jbane@wfiinc.org.

This project is funded under an agreement with the TN Dept. of Labor & Workforce Development. EOE. Auxiliary aids/services available upon request. TDD# 711.

Tennessee Demand Industries Analysis

Statewide, Regions, and LWDAs

April 9, 2026

Executive summary

- Health Care and Social Assistance is the clearest statewide anchor. It appears in the Tennessee statewide top 5 in both the in-demand and high-demand categories, appears in all 3 regional top-5 lists in all three categories except statewide emerging, and appears in 9 of 9 LWDAs in both the in-demand and high-demand analyses.
- Construction is the second major statewide planning signal. It is statewide in both emerging and high-demand and appears in all 3 regions in both categories plus 8 of 9 LWDAs in the emerging and high-demand lists.
- Manufacturing remains a major cross-geography theme, but its role differs by category: current hiring demand is broad, high-demand shows both advanced and other manufacturing as durable workforce needs, and emerging manufacturing is more selective and local rather than universally statewide.
- Regional comparisons are more uniform in in-demand and high-demand than in emerging. Emerging industries show the strongest geographic differentiation and therefore deserve the most place-based planning response.

Methodological frame from the source document

In-demand industries capture near-term hiring need using February 2026 advertised jobs, wages, and new postings. High-demand industries identify large industries with recent growth and projected job additions. Emerging industries combine recent employment and wage momentum with longer-term projections. In all three cases, we used an equal-weight composite ranking and filtered wage thresholds to emphasize better-paying industries.

Category	Economic meaning for planning	Measures used in source document
In-demand	Immediate hiring pressure and current employer need.	Job openings share, median wage, and new postings for February 2026.
High-demand	Durable employment demand in large industries with expansion potential.	Average employment in 2024, job growth from 2021-2024, and projected jobs added from 2022-2032.
Emerging	Future-facing sectors where employment and wages are gaining momentum.	Employment change, job growth, projected growth, wage growth, and average weekly wage; nuclear added as a strategic investment target.

1. Statewide industry picture

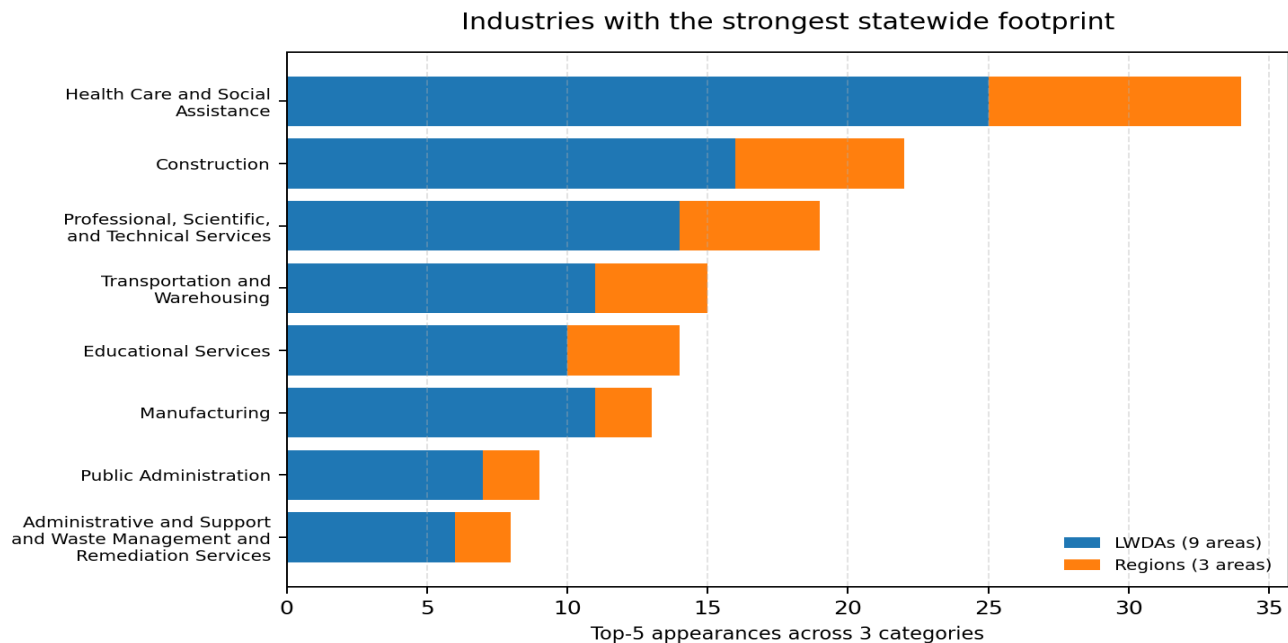


Figure 1. Industries with the strongest footprint across regional and LWDA top-5 lists in the three analytical categories.

Statewide top-5 lists from the source analysis

Category	Rank 1-2	Rank 3-4	Rank 5
In-Demand	Health Care and Social Assistance; Professional, Scientific, and Technical Services	Administrative and Support and Waste Management and Remediation Services; Manufacturing	Educational Services
Emerging	Arts, Entertainment, and Recreation; Construction	Information; Mining, Quarrying, and Oil and Gas Extraction	Nuclear (top investment target)
High-Demand	Health Care and Social Assistance; Educational Services	Transportation and Warehousing; Construction	Manufacturing - Advanced

What the statewide picture says

- Health Care and Social Assistance is the only industry that is statewide in both the current-demand and durable-demand lists and is also regionally and locally widespread in the emerging analysis. It should be treated as a core state planning priority rather than a niche sector strategy.
- Construction is statewide in both the emerging and high-demand lists and is nearly universal across regions and LWDAs. That pattern suggests broad need tied to infrastructure, residential and commercial build-out, and related skilled trades pipelines.
- Transportation and Warehousing is statewide in high-demand and appears repeatedly across the regions and several LWDAs, indicating that logistics remains a durable statewide platform even when it is not always among the top emerging sectors.
- Professional, Scientific, and Technical Services is a strong statewide in-demand signal and remains visible in high-demand and emerging comparisons in selected regions and LWDAs, implying concentrated but strategically important knowledge-intensive growth.
- The statewide emerging list - Arts, Entertainment, and Recreation; Construction; Information; Mining, Quarrying, and Oil and Gas Extraction; and Nuclear - is more directional than universal. Several of these

sectors are not broad-based everywhere, but they signal where the state sees future-facing opportunities or strategic investment targets.

2. Region-to-region comparison

The regional comparison should be used for regional plans and for state-supported regional sector strategies. Here the focus is on what East, Middle, and West share and where they diverge. Shared industries suggest region-wide strategy; unique industries suggest targeted regional initiatives.

In-Demand regional comparison

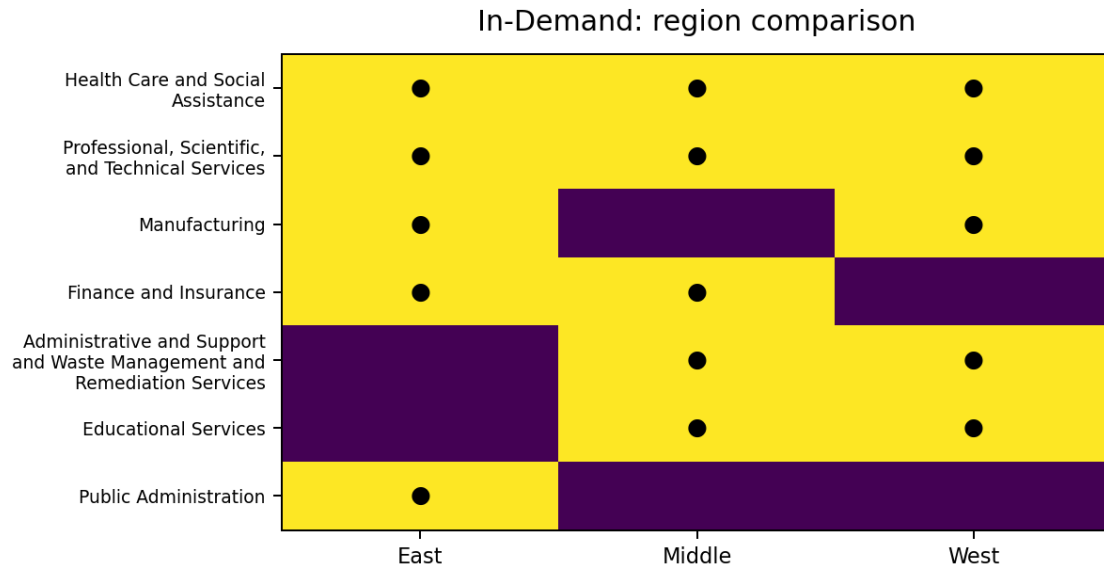


Figure 2. In-Demand industries present in East, Middle, and West Region top-5 lists.

- All three regions share Health Care and Social Assistance, Professional, Scientific, and Technical Services. These are the strongest regional-scale priorities for immediate hiring response.
- The East Region stands out for Public Administration, while Middle and West do not have a uniquely exclusive industry in the source top 5. That suggests the in-demand profile is relatively convergent across regions.
- Manufacturing is present in East and West but not Middle, whereas Finance and Insurance appears in East and Middle but not West. This indicates two different secondary regional pathways underneath a shared health care and professional services base.

Emerging regional comparison

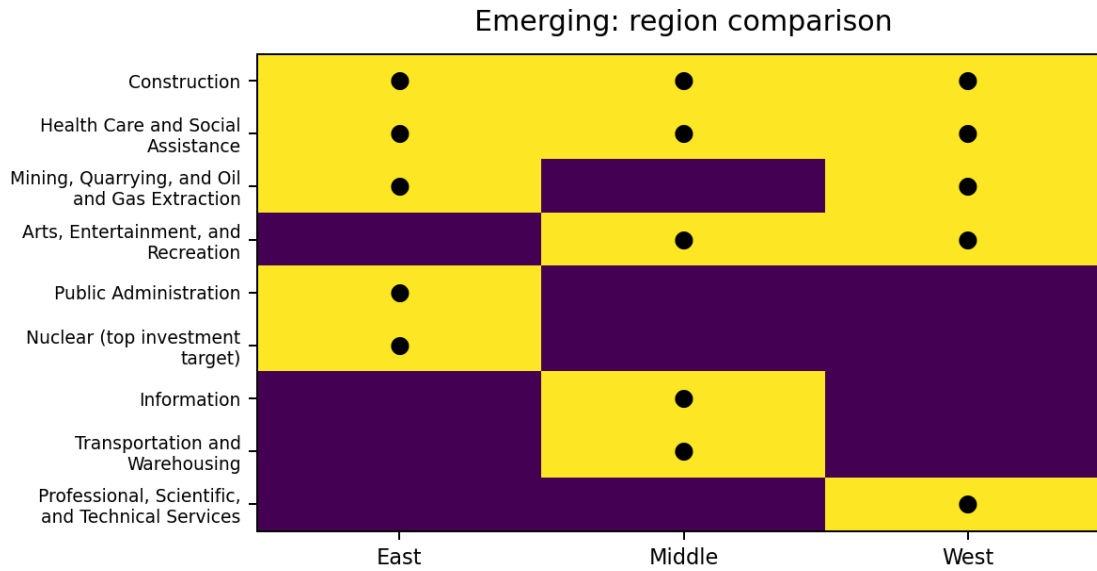


Figure 4. Emerging industries present in East, Middle, and West Region top-5 lists.

- All three regions share only Construction, Health Care and Social Assistance. Emerging industries are therefore the most differentiated category across regions.
- Middle Region adds Information and Transportation and Warehousing, West Region adds Professional, Scientific, and Technical Services, and East Region adds Public Administration and Nuclear as a strategic target. This points to region-specific opportunity sets rather than one statewide emerging template.
- Because the regional emerging mix varies more than the in-demand or high-demand mixes, regional plans should be more selective and less standardized in how they address future growth industries.

High-Demand regional comparison

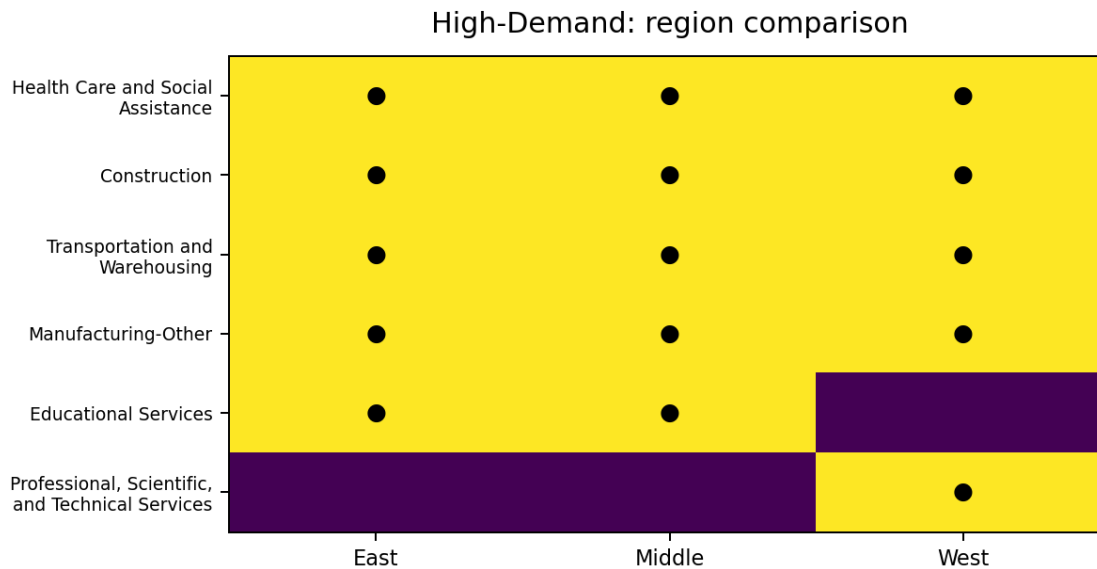


Figure 3. High-Demand industries present in East, Middle, and West Region top-5 lists.

- All three regions share Construction, Health Care and Social Assistance, Manufacturing - Other, Transportation and Warehousing. This is a notably uniform regional pattern and suggests consistent medium-term demand for health care, construction, logistics, and other manufacturing across Tennessee.
- Educational Services appears in East and Middle but not West, while Professional, Scientific, and Technical Services appears only in West. This is a modest but important divergence for regional talent strategy.
- Compared with the in-demand list, the high-demand regional picture is even more aligned. That makes it well suited for regional planning partnerships that need a stable set of priorities over a longer horizon.

Category	Industries common to all 3 regions	Industries appearing in 2 regions	Region-specific signals
In-Demand	Health Care and Social Assistance, Professional, Scientific, and Technical Services	Administrative and Support and Waste Management and Remediation Services, Educational Services, Finance and Insurance, Manufacturing	East: Public Administration; Middle: None; West: None
Emerging	Construction, Health Care and Social Assistance	Arts, Entertainment, and Recreation, Mining, Quarrying, and Oil and Gas Extraction	East: Nuclear (top investment target), Public Administration; Middle: Information, Transportation and Warehousing; West: Professional, Scientific, and Technical Services
High-Demand	Construction, Health Care and Social Assistance, Manufacturing - Other, Transportation and Warehousing	Educational Services	East: None; Middle: None; West: Professional, Scientific, and Technical Services

3. LWDA-to-LWDA comparison

The LWDA comparison should support local plans. It isolates the 9 local workforce development areas rather than blending them into the larger regions. The main planning use is to distinguish nearly universal local industries from locally concentrated or specialized sectors.

In-Demand across the 9 LWDAs

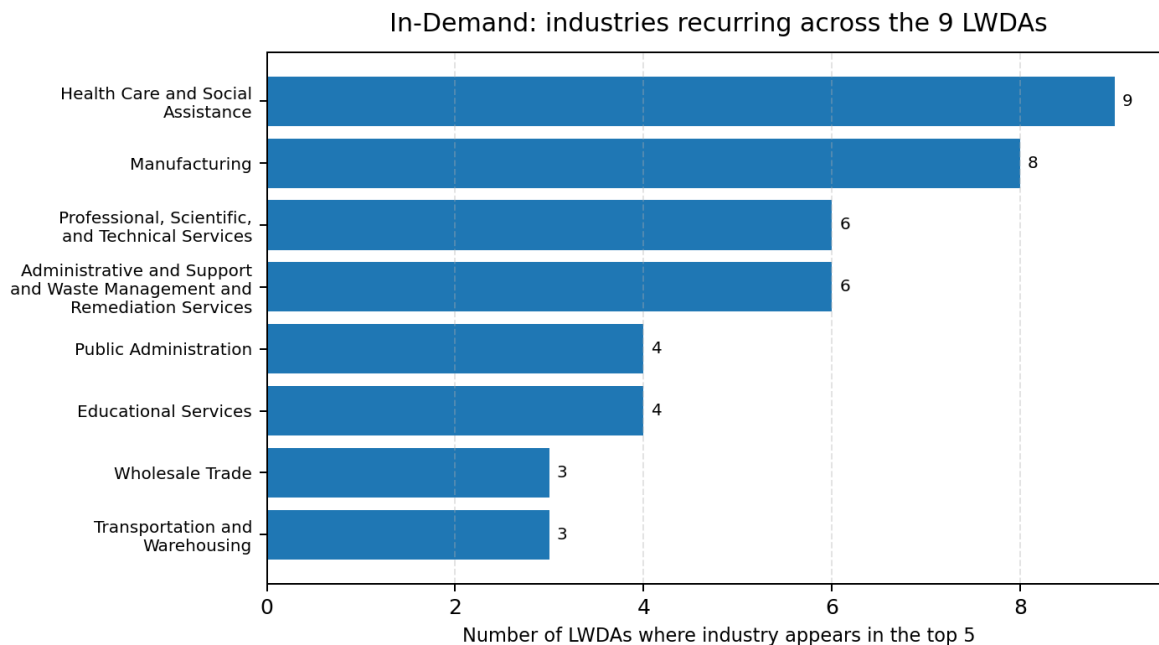


Figure 5. Frequency of in-demand industries across the 9 LWDAs.

- Health Care and Social Assistance appears in 9 of 9 LWDAs and Manufacturing appears in 8 of 9. Those two industries form the broadest local current-demand base.
- Professional, Scientific, and Technical Services and Administrative and Support and Waste Management and Remediation Services each appear in 6 and 6 LWDAs, respectively, showing that local demand is not limited to traditional goods-producing sectors.
- Wholesale Trade, Transportation and Warehousing, Finance and Insurance, and Public Administration appear more selectively. Those are better treated as local differentiators rather than universal local priorities.

Emerging across the 9 LWDAs

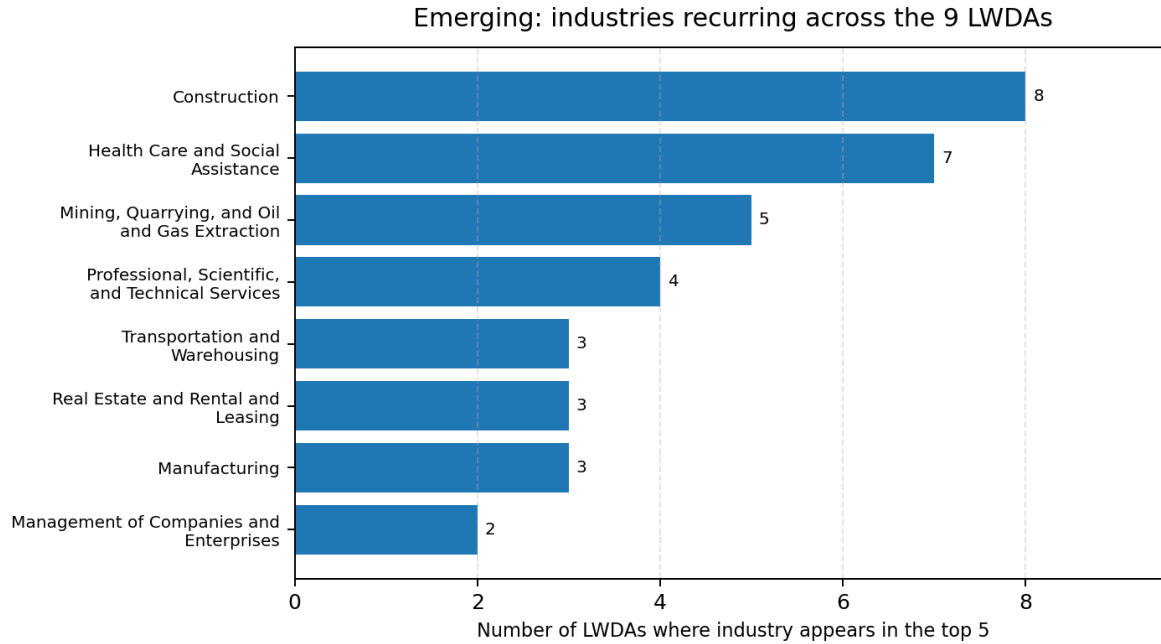


Figure 7. Frequency of emerging industries across the 9 LWDAs.

- Construction appears in 8 of 9 LWDAs and Health Care and Social Assistance in 7 of 9, making them the broadest local emerging opportunities.
- Mining, Quarrying, and Oil and Gas Extraction appears in 5 LWDAs, while Professional, Scientific, and Technical Services, Real Estate and Rental and Leasing, Manufacturing, and Transportation and Warehousing are present but less universal. This is a sign of differentiated local growth pathways.
- Utilities, Management of Companies and Enterprises, Wholesale Trade, Information, Public Administration, Nuclear, and Other Services are strongly place-specific. These should be treated as local specialization signals, not statewide or universal local defaults.

High-Demand across the 9 LWDAs

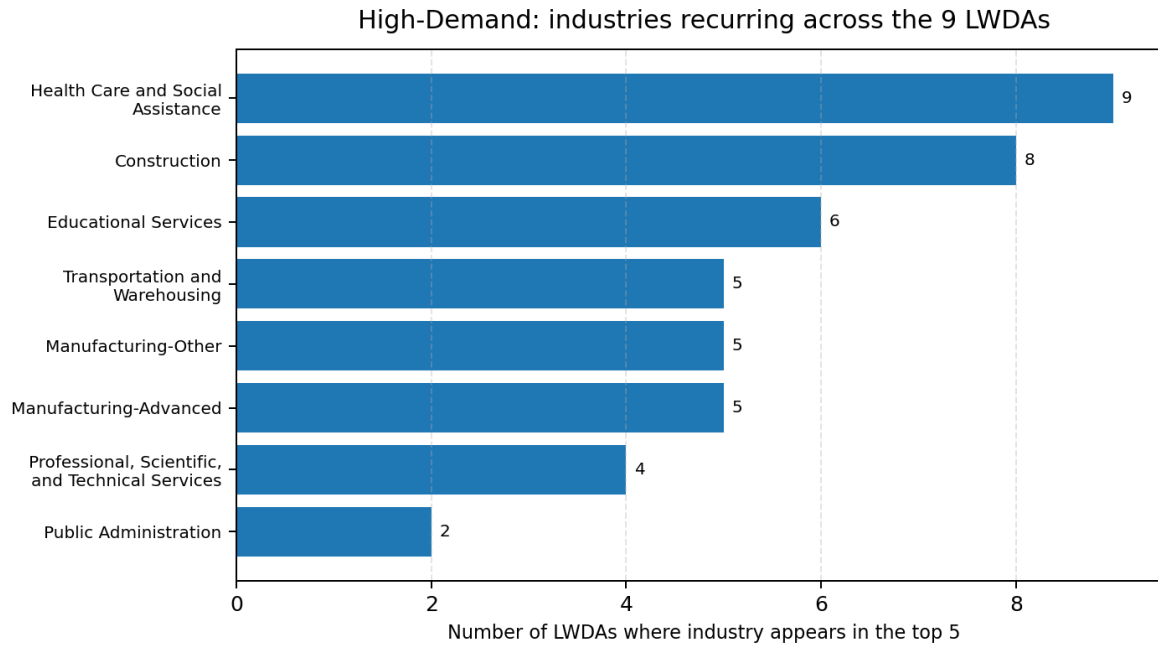


Figure 6. Frequency of high-demand industries across the 9 LWDAs.

- Health Care and Social Assistance appears in 9 of 9 LWDAs and Construction in 8 of 9, making them the dominant local medium-term planning anchors.
- Manufacturing remains deeply important locally when advanced and other manufacturing are considered together: each appears in 5 and 5 LWDAs, respectively.
- Greater Memphis is the clearest high-demand outlier, with Public Administration and Other Services appearing locally even though they are not broad local norms elsewhere.

Local specialization signals visible in the LWDA results

Category	Industries appearing in 7-9 LWDAs	Examples of narrower local specializations
In-Demand	Health Care and Social Assistance, Manufacturing	Wholesale Trade, Transportation and Warehousing, Finance and Insurance
Emerging	Construction, Health Care and Social Assistance	Transportation and Warehousing, Nuclear (top investment target), Management of Companies and Enterprises, Real Estate and Rental and Leasing, Utilities, Public Administration, Information, Arts, Entertainment, and Recreation
High-Demand	Health Care and Social Assistance, Construction	Public Administration, Other Services (except Public Administration)

Appendix A. In-Demand statewide and regional comparison table

Area	1	2	3	4 / 5
Tennessee	Health Care and Social Assistance	Professional, Scientific, and Technical Services	Administrative and Support and Waste Management and Remediation Services	Manufacturing; Educational Services
East Region	Health Care and Social Assistance	Professional, Scientific, and Technical Services	Manufacturing	Public Administration; Finance and Insurance
Middle Region	Health Care and Social Assistance	Professional, Scientific, and Technical Services	Administrative and Support and Waste Management and Remediation Services	Finance and Insurance; Educational Services
West Region	Health Care and Social Assistance	Manufacturing	Administrative and Support and Waste Management and Remediation Services	Professional, Scientific, and Technical Services; Educational Services

Appendix B. In-Demand LWDA comparison table

LWDA	Top 1-2 industries	Top 3-4 industries	Top 5 industry
East TN	Health Care and Social Assistance; Professional, Scientific, and Technical Services	Manufacturing; Wholesale Trade	Public Administration
Northeast TN	Health Care and Social Assistance; Manufacturing	Professional, Scientific, and Technical Services; Wholesale Trade	Transportation and Warehousing
Southeast TN	Professional, Scientific, and Technical Services; Manufacturing	Health Care and Social Assistance; Finance and Insurance	Public Administration
Northern Middle TN	Health Care and Social Assistance; Professional, Scientific, and Technical Services	Finance and Insurance; Administrative and Support and Waste Management and Remediation Services	Educational Services
Southern Middle TN	Administrative and Support and Waste Management and Remediation Services; Public Administration	Professional, Scientific, and Technical Services; Health Care and Social Assistance	Manufacturing
Upper Cumberland	Health Care and Social Assistance; Manufacturing	Educational Services; Administrative and Support and Waste Management and Remediation Services	Transportation and Warehousing
Northwest TN	Health Care and Social Assistance; Manufacturing	Wholesale Trade; Administrative and Support and Waste Management and Remediation Services	Educational Services
Southwest TN	Manufacturing; Health Care and Social Assistance	Administrative and Support and Waste Management and Remediation Services; Educational Services	Public Administration
Greater Memphis	Health Care and Social Assistance; Administrative and Support and Waste Management and Remediation Services	Manufacturing; Professional, Scientific, and Technical Services	Transportation and Warehousing

Appendix A. Emerging statewide and regional comparison table

Area	1	2	3	4 / 5
Tennessee	Arts, Entertainment, and Recreation	Construction	Information	Mining, Quarrying, and Oil and Gas Extraction; Nuclear (top investment target)
East Region	Construction	Health Care and Social Assistance	Mining, Quarrying, and Oil and Gas Extraction	Public Administration; Nuclear (top investment target)
Middle Region	Arts, Entertainment, and Recreation	Construction	Information	Health Care and Social Assistance; Transportation and Warehousing
West Region	Construction	Arts, Entertainment, and Recreation	Health Care and Social Assistance	Professional, Scientific, and Technical Services; Mining, Quarrying, and Oil and Gas Extraction

Appendix B. Emerging LWDA comparison table

LWDA	Top 1-2 industries	Top 3-4 industries	Top 5 industry
East TN	Mining, Quarrying, and Oil and Gas Extraction; Construction	Health Care and Social Assistance; Transportation and Warehousing	Nuclear (top investment target)
Northeast TN	Construction; Management of Companies and Enterprises	Real Estate and Rental and Leasing; Utilities	Health Care and Social Assistance
Southeast TN	Construction; Public Administration	Professional, Scientific, and Technical Services; Information	Real Estate and Rental and Leasing
Northern Middle TN	Arts, Entertainment, and Recreation; Construction	Information; Health Care and Social Assistance	Mining, Quarrying, and Oil and Gas Extraction
Southern Middle TN	Construction; Manufacturing	Other Services (except Public Administration); Health Care and Social Assistance	Mining, Quarrying, and Oil and Gas Extraction
Upper Cumberland	Management of Companies and Enterprises; Construction	Professional, Scientific, and Technical Services; Real Estate and Rental and Leasing	Wholesale Trade
Northwest TN	Construction; Manufacturing	Professional, Scientific, and Technical Services; Health Care and Social Assistance	Mining, Quarrying, and Oil and Gas Extraction
Southwest TN	Construction; Utilities	Transportation and Warehousing; Manufacturing	Health Care and Social Assistance
Greater Memphis	Mining, Quarrying, and Oil and Gas Extraction; Arts, Entertainment, and Recreation	Health Care and Social Assistance; Professional, Scientific, and Technical Services	Transportation and Warehousing

Appendix A. High-Demand statewide and regional comparison table

Area	1	2	3	4 / 5
Tennessee	Health Care and Social Assistance	Educational Services	Transportation and Warehousing	Construction; Manufacturing - Advanced
East Region	Health Care and Social Assistance	Educational Services	Construction	Transportation and Warehousing; Manufacturing - Other
Middle Region	Health Care and Social Assistance	Transportation and Warehousing	Construction	Educational Services; Manufacturing - Other
West Region	Health Care and Social Assistance	Transportation and Warehousing	Construction	Manufacturing - Other; Professional, Scientific, and Technical Services

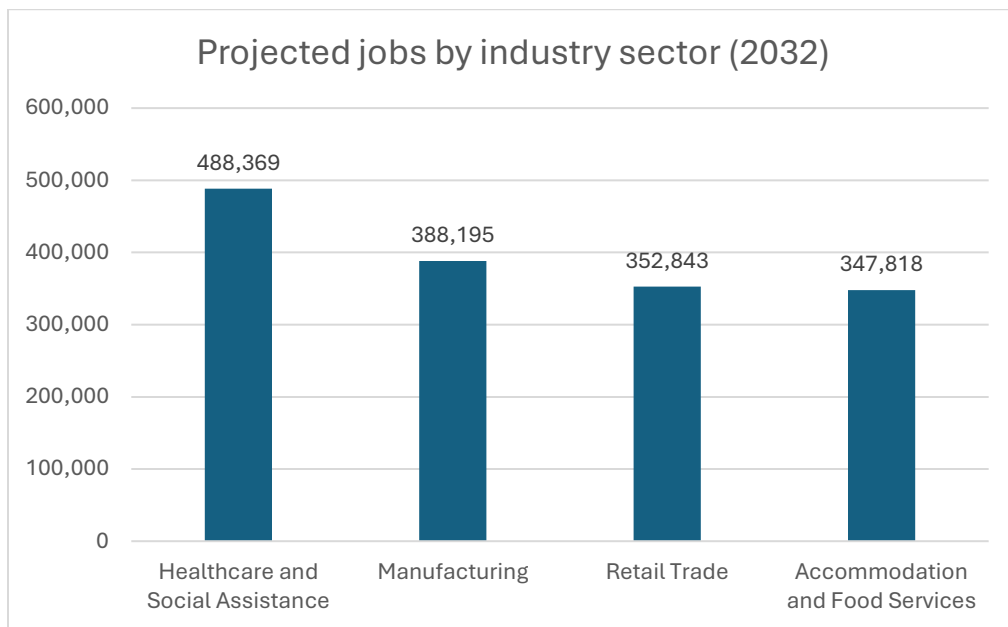
Appendix B. High-Demand LWDA comparison table

LWDA	Top 1-2 industries	Top 3-4 industries	Top 5 industry
East TN	Health Care and Social Assistance; Educational Services	Construction; Transportation and Warehousing	Manufacturing - Other
Northeast TN	Health Care and Social Assistance; Construction	Manufacturing - Advanced; Educational Services	Public Administration
Southeast TN	Health Care and Social Assistance; Manufacturing - Advanced	Manufacturing - Other; Construction	Educational Services
Northern Middle TN	Health Care and Social Assistance; Transportation and Warehousing	Construction; Educational Services	Professional, Scientific, and Technical Services
Southern Middle TN	Manufacturing - Advanced; Health Care and Social Assistance	Manufacturing - Other; Educational Services	Construction
Upper Cumberland	Health Care and Social Assistance; Construction	Educational Services; Transportation and Warehousing	Professional, Scientific, and Technical Services
Northwest TN	Manufacturing - Other; Health Care and Social Assistance	Construction; Manufacturing - Advanced	Professional, Scientific, and Technical Services
Southwest TN	Health Care and Social Assistance; Construction	Manufacturing - Other; Manufacturing - Advanced	Transportation and Warehousing
Greater Memphis	Health Care and Social Assistance; Transportation and Warehousing	Professional, Scientific, and Technical Services; Public Administration	Other Services (except Public Administration)

Tennessee Economic Analysis

Tennessee's diverse economy maintained a low unemployment rate of 3.4 percent through 2024, supported by continued expansion in its largest service industries, education and health services, transportation, trade and utilities, leisure and hospitality, and government. Construction recorded the highest industry growth rate at 4.7 percent, while manufacturing posted modest gains, adding 400 net jobs in durable goods.

Between 2023 and 2024, total nonfarm employment increased from 3,333,400 to 3,374,100, reflecting a gain of 40,700 jobs (1.2 percent). Business establishments rose from 230,839 to 241,796, signaling a favorable environment for business formation and expansion. Total payroll increased from \$201.6 billion to \$210.9 billion. The average annual wage grew from \$63,752 to \$66,580, while the average hourly wage rose from \$23.68 to \$24.54. Median wages increased from \$43,816 to \$46,120. These gains indicate that employment growth was accompanied by rising compensation levels.



Labor force participation edged up from 59.1 percent in December 2023 to 59.4 percent in December 2024. The labor force expanded by more than 40,000 individuals, reaching 3,420,373. Unemployment remained stable, increasing slightly from 3.3 percent to 3.4 percent, remaining below the national average of 4.1 percent. Targeted populations saw modest improvements: unemployment among individuals in poverty declined from 21.9 percent to 20.8 percent; veterans' unemployment decreased from 4.0 percent to 3.9 percent; unemployment among individuals with disabilities fell from 11.3 percent to 10.5 percent; and youth unemployment declined from 10.5 percent to 9.8 percent.

Tennessee's economy remains influenced by global markets, with approximately \$40 billion in annual exports. As of mid-2025, manufacturing, particularly nondurable goods experienced some losses, and health services employment declined due to national funding reductions affecting hospitals and outpatient services. Industries potentially affected by international trade conditions include automotive and agriculture. Conversely, the information sector added 300 jobs.

Of the state's 229,549 employers, 88.5 percent are small businesses employing between one and 19 workers. More than 61 percent of the workforce is concentrated in six industries: health care and social assistance, manufacturing, retail trade, accommodation and food services, education services, transportation and warehousing. Wage levels vary significantly across industries. The highest average weekly wages were reported in management of companies and enterprises (\$2,478), information (\$2,176), finance and insurance (\$2,146), professional and technical services (\$2,023), and utilities (\$1,957). In contrast, industries employing the largest number of workers tend to offer comparatively lower wages. Aligning workforce development and educational pathways with high-wage, high-demand sectors remains essential to improving long-term economic mobility.

West Region

The West Region was the only area to experience a decline in employment between 2023 and 2024. Total employment decreased from 701,393 to 698,031, a loss of 3,362 jobs (0.48 percent). The labor force declined by 8,777 individuals (1.25 percent), suggesting reduced labor market participation. Despite these decreases, the unemployment rate remained stable at 3.5 percent.

Metropolitan growth was limited. The Memphis MSA remained essentially flat, while Jackson increased by 0.80 percent. Non-metropolitan areas experienced stronger growth of 2.5 percent, indicating localized expansion in smaller communities. However, these gains were insufficient to offset broader regional declines.

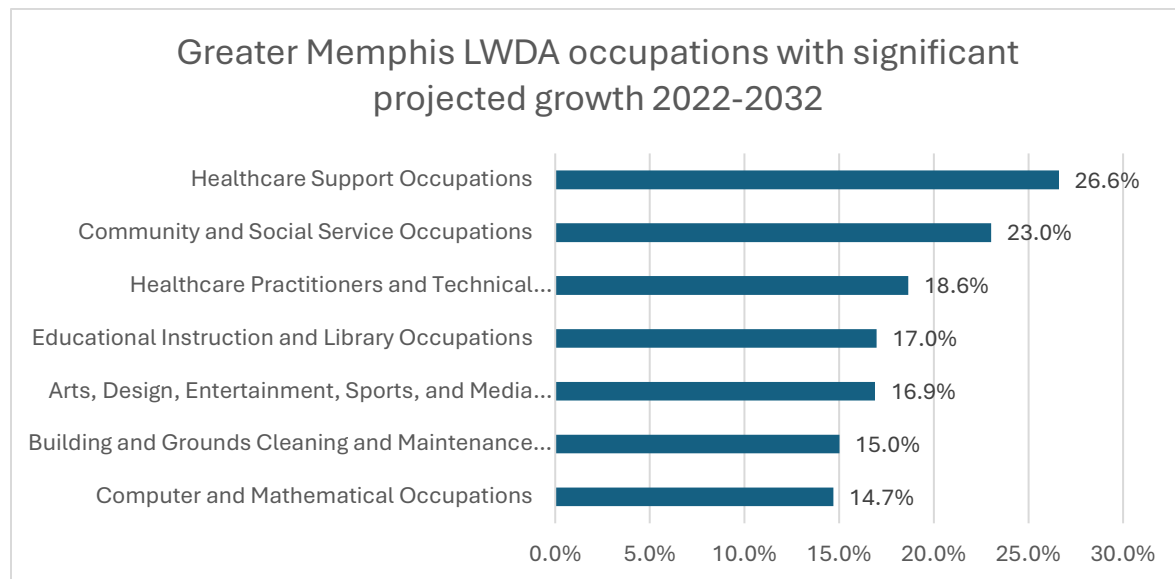
Business establishments increased modestly from 40,876 to 41,721 (2.07 percent). Total payroll rose from \$44.6 billion to \$45.9 billion (2.91 percent), indicating that wage growth persisted despite employment losses. The average annual wage increased from \$49,298 to \$51,636 (4.74 percent), and the median wage rose from \$41,053 to \$43,520 (6.01 percent). Production worker hourly wages also increased to \$24.54 (3.63 percent), consistent with wage gains observed statewide.

Overall, the West Region's stable unemployment rate masks underlying challenges, including employment contraction and declining labor force participation. Continued

attention to workforce engagement and industry diversification may be necessary to support long-term regional growth.

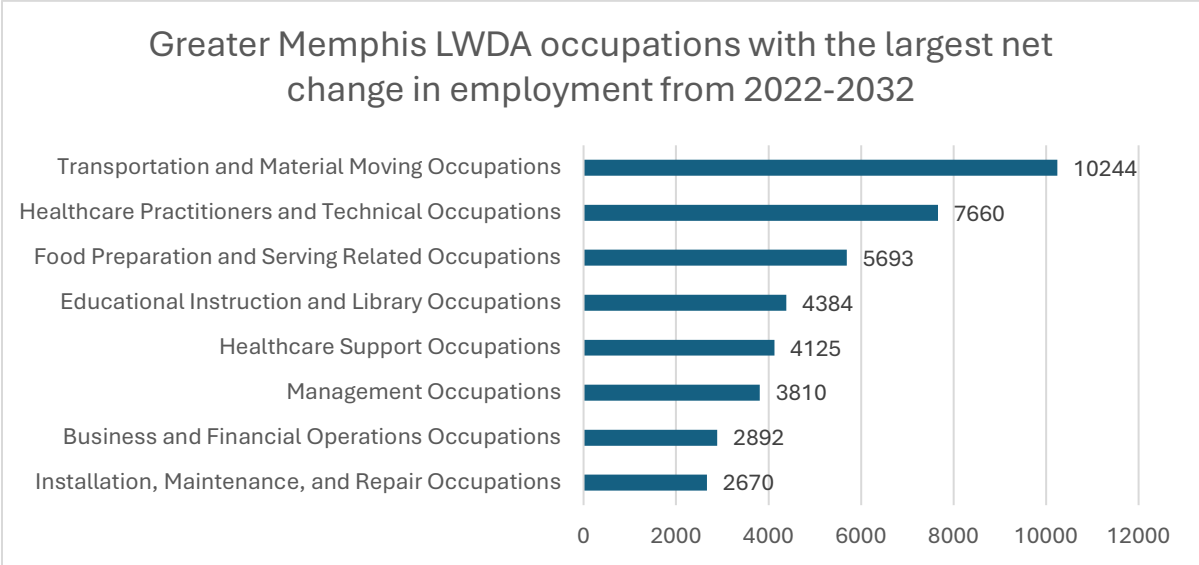
From 2023 to 2024, Tennessee’s economy demonstrated steady, broad-based growth characterized by rising employment, expanding business activity, and increasing wages. While statewide indicators remain strong, regional variations highlight the importance of targeted strategies to address geographic disparities. Sustained investment in workforce development, support for small businesses, and alignment of education and training with high-wage industries will remain central to maintaining Tennessee’s economic competitiveness and promoting inclusive growth across all regions.

The West Tennessee region, which includes the Greater Memphis, Southwest, and Northwest LWDAs, presents a more mixed picture in terms of employment outlook. While Greater Memphis is the economic engine of the region, with projected total employment of over 630,000 jobs by 2032, its overall growth rate trails behind its eastern and central counterparts. Several industries in Memphis, including retail and administrative and waste services, are expected to experience negative growth, suggesting a regional economic shift away from lower-wage service sectors.

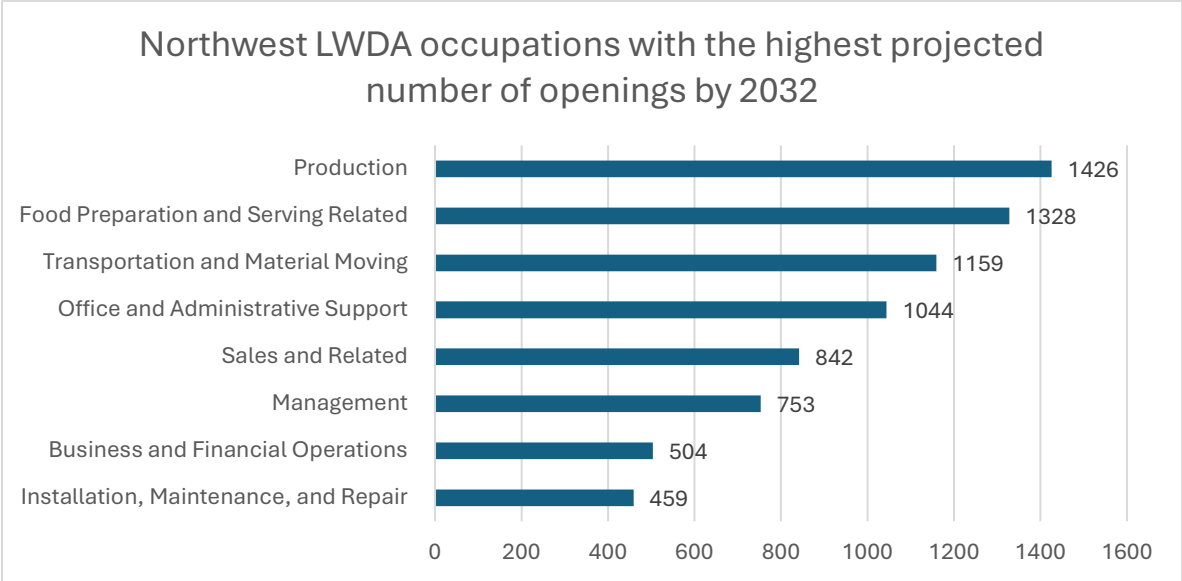


Despite these contractions, healthcare and transportation are projected to remain strong in Greater Memphis, with healthcare employing over 92,000 and transportation and warehousing employing nearly 81,000 by 2032. These sectors are also among the top contributors to job creation in the area. In terms of occupations, transportation and material moving roles lead in new jobs created, followed closely by healthcare practitioners and support roles. Although total growth is smaller compared to Middle

Tennessee, there are still areas of strength—particularly in healthcare support, which is projected to grow by over 26 percent, and community and social service occupations.

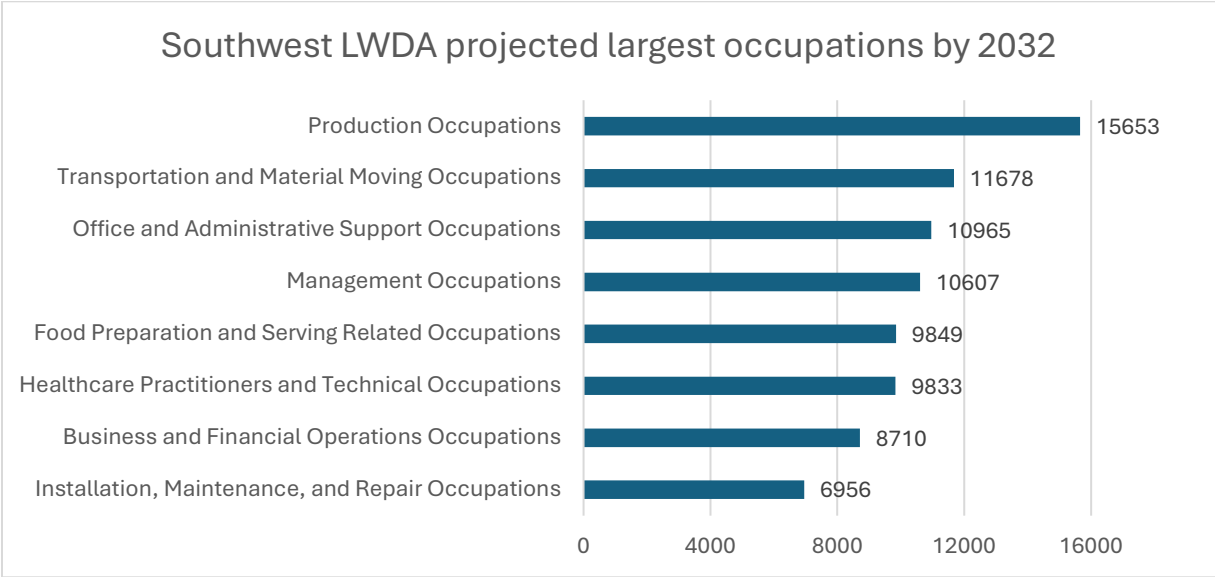


In Greater Memphis, the occupational groups expected to create more than 2500 jobs over the decade include educational instruction and library, management, business and financial operations, and installation, maintenance, and repair. Although manufacturing is expected to grow slowly, more than 3,000 job openings in production should be created in the next 10 years.



Southwest and Northwest LWDA, while more rural and smaller in population, are projected to maintain strong employment bases in manufacturing and retail but are projected to show relatively limited job creation. Net new jobs project modestly in both

areas, with growth concentrated in specific occupational fields such as construction, business operations, and healthcare. In the Southwest LWDA, construction and extraction occupations are projected to grow by over 25 percent, while healthcare support is set to increase by more than 27 percent. The occupational groups expected to have the most openings through 2032 are food preparation and serving, production, and transportation and material moving occupations, with more than 600 openings in installation, maintenance, and repair. The Northwest LWDA shows growth in community and social services, computer and mathematical roles, and the skilled trades.



Overall, West Tennessee’s outlook to 2032 faces the challenge of maintaining economic momentum in the face of slower overall growth. However, the region is not without opportunity. Growth in healthcare, construction, and technical fields suggest areas of potential investment and workforce development.

Regional Comparison and Conclusion

When comparing Tennessee’s three major regions, clear distinctions emerge in both the scale and nature of employment growth. Middle Tennessee leads in both total employment and net job creation, driven by the economic vitality of the Nashville area and its surrounding LWDA’s. It also exhibits the highest projected growth rates, indicating that its expansion is not just in volume but in pace. Healthcare, logistics, and construction-related occupations are projected to remain prominent in this region.

East Tennessee follows with steady, broad-based growth. Its projected employment structure reflects a balance between traditional sectors like manufacturing and retail and

fast-growing service-oriented occupations, particularly in healthcare and food services. Professional, scientific, and technical industries are growing rapidly in the Southeast. Percent growth is expected to be substantial in specific support roles, highlighting a shift toward care-based and community-focused employment.

West Tennessee's outlook demonstrates potential in certain specialized fields. Greater Memphis continues to function as a regional hub for healthcare and logistics, although some of its industries are expected to contract. The more rural Southwest and Northwest areas will need targeted economic development strategies to enhance their growth, focusing on education, infrastructure, and job training in high-demand sectors.

In summary, Tennessee's job market to 2032 reflects a state in economic transition. Healthcare and social assistance emerges as the dominant growth sector across all regions, while occupations related to care, logistics, and skilled trades are projected to gain momentum. Regional differences underscore the importance of localized workforce strategies that build on existing strengths while addressing challenges unique to each area. The next decade presents an opportunity for Tennessee to build a more resilient, inclusive, and future-ready labor market

Workforce Analysis

Tennessee

Employment and Unemployment

Tennessee's seasonally adjusted unemployment rate was 3.5 percent in June 2025, lower than 4.4 percent in June 2021 and slightly above 3.2 percent in June 2023. The U.S. unemployment rate in June 2025 was 4.1 percent. Tennessee's annual average unemployment rate declined from 8.0 percent in 2012 to 3.6 percent in 2024, reflecting sustained long-term improvement following the pandemic recovery period.

Labor force participation in Tennessee declined from 61.7 percent in 2012 to 60.2 percent in June 2025, though this represents a modest increase from 59.4 percent in 2023. Nationally, labor force participation decreased from 63.7 percent in 2012 to 62.6 percent in June 2025, unchanged from 2023.

West Region

(Greater Memphis, Southwest, and Northwest Local Workforce Development Areas – 21 counties)

Employment and Unemployment

Total employment declined from 701,393 in 2023 to 698,031 in 2024, a loss of 3,362 jobs (0.48 percent), making West Tennessee the only region to experience net job losses during this period. The regional unemployment rate averaged 4.1 percent in December 2025, slightly higher than 4.0 percent in 2022. The labor force also declined over the year, indicating reduced workforce participation alongside employment contraction.

Despite job losses, business establishments increased from 40,876 to 41,721 (2.07 percent), suggesting continued entrepreneurial activity.

The regional labor force participation rate (LFPR) stands at 60.9 percent, below the statewide average of 62.1 percent. Greater Memphis reports the highest participation rate at 63.9 percent, exceeding the state average. Northwest (54.3 percent) and Southwest (55.2 percent) report substantially lower rates, reflecting underutilized labor potential in rural areas.

Poverty levels in West Tennessee (17.21 percent) exceed the state average (13.77 percent), with Southwest Tennessee reporting the highest rate at 18.5 percent. Greater Memphis, at 16.94

percent, remains above the state average, indicating continued economic challenges across the region.

Wages

Wage growth was a positive indicator. The average annual wage increased from \$49,298 in 2023 to \$51,636 in 2024 (4.74 percent). The median wage rose from \$41,053 to \$43,520 (6.01 percent). Production worker hourly wages increased from \$23.68 to \$24.54 (3.63 percent), consistent with statewide trends.

Education and Workforce Characteristics

In West Tennessee, 55.64 percent of adults aged 25 and older have attained some college education or higher, below the statewide average of 58.2 percent. Greater Memphis exceeds both the regional and state averages at 60.95 percent, while Northwest (44.07 percent) and Southwest (45.76 percent) lag significantly.

Unemployment among individuals with disabilities is 14.33 percent in the region, slightly below the state average of 16.04 percent. However, Northwest Tennessee reports a significantly higher rate at 21.36 percent. Additionally, 32.92 percent of individuals not participating in the labor force report a disability, exceeding the state average of 30.90 percent.

Significant Barriers to Employment

Compared to statewide totals, West Tennessee includes:

- 43 percent of individuals exiting TANF within 24 months
- 24 percent of individuals with a disability not in the labor force
- 28 percent of the prison and jail population
- 26 percent of the youth population

Labor Market Trends

The Greater Memphis area remains the economic center of the region, with projected employment exceeding 630,000 jobs by 2032. While some sectors—such as retail and administrative services—are projected to decline, healthcare and transportation are expected to remain strong. By 2032, healthcare is projected to employ more than 92,000 individuals, and transportation and warehousing nearly 81,000. Transportation and material moving occupations are expected to lead job growth, followed by healthcare practitioners and support occupations.

In February 2026, the most requested skills included proficiency in Microsoft Office applications, SQL, forklift operation, cash register systems, and artificial intelligence tools. Healthcare institutions accounted for most top job postings, reflecting continued demand in medical and support occupations.