

# The Economic Impact of UW-Whitewater





## Executive Summary

This study, conducted by the Fiscal and Economic Research Center at the University of Wisconsin-Whitewater, explores and quantifies the economic impact of the university on the tri-county region of Walworth, Jefferson, and Rock counties. UW-Whitewater has a considerable effect on the local economy, bringing money, employment, and volunteerism into the area. University and student spending together account for the largest impact on the region, augmented by events, athletics, and camps. All together, UW-Whitewater supports **2,680** jobs and leads to **\$514,750,000** in annual economic activity. In addition to this regional impact, the university generates an estimated **\$24,465,000** in annual tax revenue for the state, including sales, and income tax.

The results of this research provide insight on the affects that the University of Wisconsin Whitewater has on individual taxpayers and the regional economy, and should be available to policymakers at all levels seeking to better understand the benefits of funding a post-secondary educational institution such as UW-Whitewater as well as the University of Wisconsin System administrators looking for tangible evidence of the extent to which state universities interact with and impact their local communities.



## About UW-Whitewater

Established in 1868, UW-Whitewater became the state's second public college. UW-Whitewater is a premier regional comprehensive university located in the city of Whitewater, at the intersection of Walworth, Jefferson, and Rock counties in southeastern Wisconsin. The university currently offers 61 undergraduate majors and 21 graduate majors in addition to 125 minors and 98 certificates; the 2023-24 enrollment at UWW was 11,522 students.

## IMPLAN Analysis

The ultimate goal of this study is to determine UW-Whitewater's economic impact on the tri-county region and the local economy. To examine the aspects of the area's economic activity - including total output by industry, personal income, total income, value added to products and services and employment - to determine the appropriate multipliers being used FERC utilizes the IMPLAN model.

Several sources of expenditure data were used to construct these multipliers; while institutional spending data was already on record, surveys were conducted to obtain student and visitor spending data. The student survey asked respondents to calculate the total amount they spend each month in a collection of different categories within the local economy. These categories coordinate with IMPLAN's model and form how much direct spending stays within the local economy, how much leaks out, how many dollars of income each additional dollar of direct spending generates, and the number of full- and part-time jobs created by direct spending.



IMPLAN takes data inputs and formulates the direct, indirect and induced outputs for a given scenario. This analysis of the data allows for better understanding of the impact brought on by UWW. The analysis gets broken down into the direct, indirect, and induced effects. The direct effects refers to the initial impact on the economy by the business or institution in question. The indirect effect is business to business transactions, which includes when a business buys from or sells to another business. Lastly, the induced effect refers to the impact brought on by the spending of employees within the given business or institution.

There are three ways in which these effects are interpreted: in terms of output, employment, and labor income. Output is the value added by a business, employment refers to the number of jobs created by the business, and lastly, labor income which is the total amount of employment income that is generated by the business.





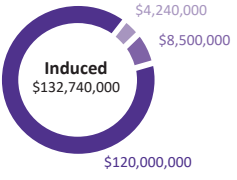
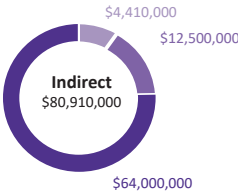
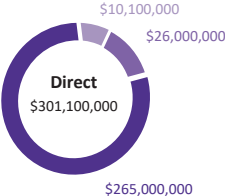
As previously shared, the institutional spending data was already recorded in which the university impact showed a total of 2,680 jobs created and \$514.7 million in spending in the tri-county impact area.

For the student impact data, FERC administered a survey that asked UW-Whitewater students to estimate their spending for a month. The survey asks students for the amount they spend in several categories such as rent, utilities, internet, phone bill, groceries, car, restaurants, and miscellaneous categories in the tri-county impact area. The survey concluded that student spending has an ultimate impact of 260 jobs created and \$47 million in spending within the impact area.

# Multiplier-Effect Calculation of Total UW-Whitewater Spending

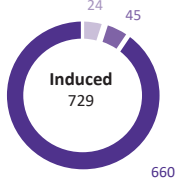
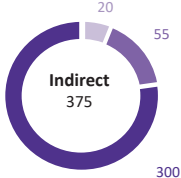
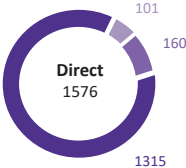
## Output Effect

University:	\$449,000,000
Students:	\$47,000,000
Visitors & Programming:	\$18,750,000
<b>Total:</b>	<b>\$514,750,000</b>



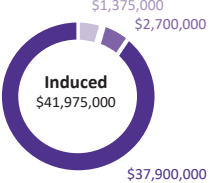
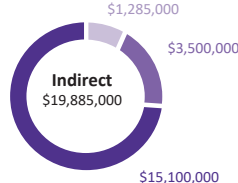
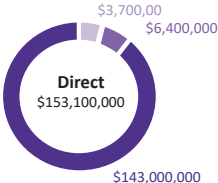
## Employment Effect

University:	2275
Students:	260
Visitors & Programming:	145
<b>Total:</b>	<b>2,680</b>



## Income Effect

University:	\$196,000,000
Students:	\$12,600,000
Visitors & Programming:	\$6,360,000
<b>Total:</b>	<b>\$214,960,000</b>



## About FERC

The University of Wisconsin-Whitewater Fiscal and Economic Research Center Provides research services for area

businesses, not-for-profits organizations and government entities, including:

- Economic Analysis
- Geographic Information Systems (GIS) analysis
- Market research, marketing strategy and planning
- Statistical analysis
- Simulation analysis
- Ecological and biological analysis
- Government and public policy analysis
- Entrepreneurship
- Economic forecasting and business development

## About The Authors

**Russ Kashian** is a professor of economics at the University of Wisconsin-Whitewater. He served as a specialist for the University of Wisconsin-Extension and is the director of the Fiscal and Economic Research center at UW-Whitewater. In the 20 years that he has taught at the university, his focus has been conducting applied research projects that develop students, are of value to others, and serve the region. Dr Kashian's main areas of interest are financial intermediaries, tourism, education, and economic development.

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