Outreach Program Update: Evaluation the Educational Effectiveness and Economic Impacts of the TAA for Farmers Program

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The TAA for Farmers program provides technical training to help applicants develop business plans and adjust business practices. Participants are also eligible to receive cash payments up to $12,000 to implement knowledge gained from the trainings. The Southern Risk Management Education Center coordinates the delivery of the training program and the business planning consultation in the Southern Region. The 2010 and 2011 programs saw shrimp and catfish accepted with a total of 6,106 applicants qualifying for training in the South (56\% of national signup). This update highlights the ongoing evaluation of the training and proposes a method for estimating the economic impact of the financial payments made to farmers in the program.

The preliminary results from our surveys indicate that the training program has been successful overall, providing relevant topics and effective training. Local educators were highly rated in their delivery of training. However, participants responding after finishing the 12 hours of training gave lower than anticipated ratings on the program’s effectiveness at demonstrating how the knowledge gained can be used to make changes to the business. The business planning phase of the program may have alleviated this “application gap” as indicated by the limited survey data from participants that have completed the long term business plan. These participants responded with higher training ratings after finishing the business planning phase – which is aimed at helping put the knowledge gained in workshops to use on a farm. The evaluation is on-going and this summary is based on preliminary analysis.

The economic impact of the TAA for Farmers payments made to Arkansas Catfish farmers was estimated in an effort to establish a framework to assess the impact of the TAA for Farmers program. Payments to 120 catfish farmers in Arkansas were used to build impact scenarios around: 1) industry expenditures and 2) farm household spending. The direct impact of the TAA for Farmers payments to Arkansas catfish farmers is equal to $1,440,000. The results of the impact analysis indicate that the total economic impact of the TAA for Farmers payments is $2.35 million in value added (equal to labor income + property income and indirect business taxes). The program payments to catfish farmers generated an additional $500,000 in labor income and over $900,000 in value added in the region. The impact analysis shows that the impacts of the cash payments extend well beyond the farm.