

The Economic Value of Northwestern State University





NORTHWESTERN STATE UNIVERSITY (NSU) creates value in many ways. The university plays a key role in helping students increase their employability and achieve their individual potential. The university facilitates new company developments and draws visitors and students to the region, generating new dollars and opportunities for Northwest and Central Louisiana.* NSU provides students with the education, training, and skills they need to have fulfilling and prosperous careers. Its student and employee volunteers support the regional economy through the output and employment generated by regional businesses and organizations. Furthermore, NSU is a place for students to meet new people, increase their self-confidence, and promote their overall health and well-being.

NSU helps positively shape both the lives of its students and the regional economy. The university supports a variety of industries in Northwest and Central Louisiana, serves regional businesses, and benefits society as a whole in Louisiana from an expanded economy and improved quality of life. Additionally, the benefits created by NSU extend to the state government through increased tax revenues and public sector savings.

This study measures the economic impacts created by NSU on the business community and the benefits the university generates in return for the investments made by its key stakeholder groups—students, taxpayers, and society. The following two analyses are presented:



NSU influences both the **lives of its students** and the **regional economy**.

Economic impact analysis

Investment analysis

All results reflect employee, student, and financial data, provided by the university, for fiscal year (FY) 2023–24. Impacts on the Northwest and Central Louisiana economy are reported under the economic impact analysis and are measured in terms of added income. The returns on investment to students, taxpayers, and society in Louisiana are reported under the investment analysis.

* For the purposes of this analysis, Northwest and Central Louisiana include the following parishes: Bossier, Caddo, De Soto, Grant, Natchitoches, Rapides, Red River, Sabine, Vernon, and Winn.






Economic impact analysis


NSU promotes economic growth in Northwest and Central Louisiana through its direct expenditures and the resulting expenditures of visitors, students, and regional businesses. The university serves as an employer and buyer of goods and services for its day-to-day operations. Numerous spin-off companies have formed as a result of programs and knowledge at NSU. The university's reputation and activities attract visitors and students from outside Northwest and Central Louisiana, whose expenditures benefit regional vendors. NSU encourages its students and employees to volunteer in the community, helping businesses and organizations grow. In addition, NSU is a primary source of higher education to Northwest and Central Louisiana residents and a supplier of trained workers to regional industries, enhancing overall productivity in the regional workforce.

Operations spending impact

 NSU adds economic value to Northwest and Central Louisiana as an employer of regional residents and a large-scale buyer of goods and services. In FY 2023-24, payroll at NSU was \$74.7 million, much of which was spent in the region for groceries, mortgage and rent payments, dining out, and other household expenses. In addition, the university spent \$36.8 million on expenses related to facilities, supplies, and professional services.

NSU's operations spending added \$76.3 million in income to the region during the analysis year. This figure represents the university's payroll, the multiplier effects generated by the in-region spending of the university and its employees, and a downward adjustment to account for funding that the university received from regional sources. The **\$76.3 million** in added income is equivalent to supporting **947 jobs** in the region.

Spin-off company impact

 NSU creates an exceptional environment that fosters innovation and entrepreneurship, evidenced by the number of NSU spin-off companies created in the region. Spin-off companies are created and fostered through university programs or faculty and alumni. In FY 2023-24, NSU spin-off companies added **\$65.1 million** in income to the Northwest and Central Louisiana economy, which is equivalent to supporting **789 jobs**.

Impacts created by
NSU in FY 2023-24



Operations spending impact

\$76.3 million

+



Spin-off company impact

\$65.1 million

+



Visitor spending impact

\$11.0 million

+



Student spending impact

\$9.3 million

+



Volunteerism impact

\$2.2 million

+



Alumni impact

\$333.2 million



Total economic impact

\$497.1 million

OR



Jobs supported

7,001



Visitor spending impact



Tens of thousands of visitors from outside the region were attracted to NSU during the analysis year to attend commencement, sports events, and other activities sponsored by the university. While in the region, visitors spent money for lodging, food, transportation, and other personal expenses. The off-campus expenditures of the university's out-of-region visitors generated a net impact of \$11.0 million in added income for the regional economy in FY 2023–24. This **\$11.0 million** in added income is equivalent to supporting **250 jobs**.

Student spending impact



About 62% of credit-seeking students attending NSU originated from outside the region in FY 2023–24, and some of these students relocated to Northwest and Central Louisiana to attend NSU. These students may not have come to the region if the university did not exist. In addition, some in-region students, referred to as retained students, would have left Northwest and Central Louisiana if not for the existence of NSU. While attending the university, these relocated and retained students spent money on groceries, accommodation, transportation, and other household expenses. This spending generated **\$9.3 million** in added income for the regional economy in FY 2023–24, which supported **174 jobs** in Northwest and Central Louisiana.

Volunteerism impact



NSU encourages its students and employees to volunteer in Northwest and Central Louisiana, where they can work to help citizens thrive and businesses and organizations meet their goals. The work of these student and employee volunteers allows businesses and organizations to grow, increasing their output and impacting the economy at large. The work of NSU student and employee volunteers is equivalent to \$3.0 million in earnings. In terms of actual impact to the Northwest and Central Louisiana economy, NSU student and employee volunteers generated an impact of **\$2.2 million** in added income for the region in FY 2023–24, equivalent to supporting **85 jobs**.

Compassion-filled medical mission transforms lives and careers

Four NSU Doctor of Nursing Practice students—Stanley Owusu Danso, Stephen Harms, Jawun Jiles, and Aaron Navarre—embarked on a life-changing medical mission to San Raymundo, Guatemala. Through Refuge International, they provided critical anesthesia care in makeshift operating rooms, assisting in 83 surgeries. Working in an environment with limited resources forced the students to innovate, trust their training, and gain confidence that will shape them into stronger healthcare professionals.

Their impact extended beyond the operating table. By mentoring aspiring medical professionals, they planted the seeds for future missions and a growing network of compassionate healthcare providers. Their journey proves that NSU students don't just succeed—they lead, serve, and change lives.



Alumni impact



The education and training NSU provides for regional residents has the greatest impact. Since the establishment of the university, students have studied at NSU and entered the regional workforce with greater knowledge and new skills. Today, thousands of former NSU students are employed in Northwest and Central Louisiana. As a result of their education from NSU, the students receive higher earnings and increase the productivity of the businesses that employ them. In FY 2023-24, NSU alumni generated **\$333.2 million** in added income for the regional economy, which is equivalent to supporting **4,756 jobs**.

Total impact

NSU added \$497.1 million in income to the Northwest and Central Louisiana economy during the analysis year, equal to the sum of the operations spending impact, the spin-off company impact, the visitor and student spending impacts, the volunteerism impact, and the alumni impact. For context, the \$497.1 million impact was equal to approximately 1.4% of the total gross regional product (GRP) of Northwest and Central Louisiana. This contribution that the university provided on its own is equal to a third of the entire Construction industry in the region.

NSU's total impact can also be expressed in terms of jobs supported. The **\$497.1 million** impact supported **7,001 regional jobs**, using the jobs-to-sales ratios specific to each industry in the region. This means that one out of every 58 jobs in Northwest and Central Louisiana is supported by the activities of NSU and its students. In addition, the \$497.1 million, or 7,001 supported jobs, stemmed from different industry sectors. For instance, among non-education industry sectors, the activities of NSU and its alumni in the Health Care & Social Assistance industry sector supported 1,286 jobs in FY 2023-24. If the university did not exist, these impacts would not have been generated in Northwest and Central Louisiana.

NSU impacts by industry (jobs supported)



1,286

Health Care & Social Assistance



590

Retail Trade



589

Other Services (except
Public Administration)



441

Accommodation & Food Services



410

Government, Non-Education

**One out of every
58 jobs** in Northwest
and Central Louisiana
is supported by the
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Allen Parish students discover high-demand healthcare careers at NSU CENLA campus

NSU welcomed 100 high school students from Allen Parish to its CENLA campus, offering a firsthand look at the dynamic world of healthcare careers. Through the Healthcare Academic and Career Exploration (ACE) project—funded by The Rapides Foundation—students engaged with faculty learned about dual enrollment opportunities, and explored degree pathways that fast-track them into the workforce. NSU's CENLA campus continues to serve as a vital hub, preparing students to meet Louisiana's growing healthcare workforce needs while ensuring a seamless transition from classroom to career.



Investment analysis



An investment analysis evaluates the costs associated with a proposed venture against its expected benefits. The analysis presented here evaluates NSU as an investment from the perspectives of students, taxpayers, and society in Louisiana. As with the economic impact analysis, this analysis considers only FY 2023-24 activities.

Student perspective



In FY 2023-24, NSU served 10,415 credit-seeking and 432 non-credit students.

In order to attend the university, the students paid for tuition, fees, books, and supplies. They also took out loans and will incur interest on those loans. Additionally, students gave up money they would have otherwise earned had they been working instead of attending college. The total investment made by NSU's students in FY 2023-24 amounted to a present value of \$126.5 million, equal to \$51.3 million in out-of-pocket expenses (including future principal and interest on student loans) and \$75.2 million in forgone time and money.

In return for their investment, NSU's students will receive a stream of higher future earnings that will continue to grow throughout their working lives. For example, the average NSU bachelor's degree graduate from FY 2023-24 will see annual earnings that are \$21,900 higher than a person with a high school diploma or equivalent working in Louisiana. Over a working lifetime, the benefits of a bachelor's degree over a high school diploma will amount to an undiscounted value of \$919,800 in higher earnings per graduate. The present value of the cumulative higher future earnings that NSU's FY 2023-24 students will receive over their working careers is \$598.5 million.

The students' benefit-cost ratio is 4.7. In other words, for every dollar students invest in NSU in the form of out-of-pocket expenses and forgone time and money, they will receive a cumulative value of \$4.70 in higher future earnings. Annually, the students' investment in NSU has an average annual internal rate of return of 18.2%, which is impressive compared to the U.S. stock market's 30-year average rate of return of 10.1%.

Students see a high rate of return for their investment in NSU



Average annual return for NSU students

18.2%



Stock market 30-year average annual return

10.1%



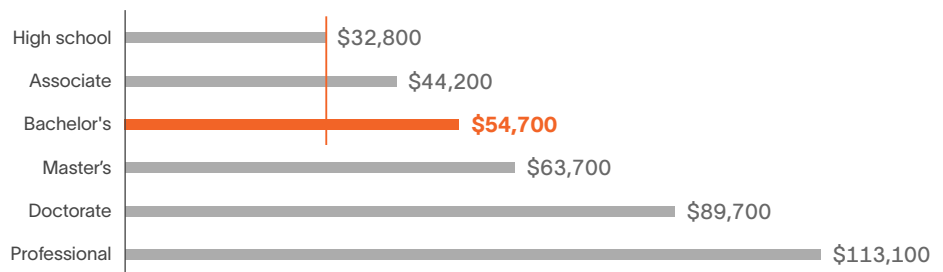
Interest earned on savings account (national deposit rate)

0.5%

Source: Forbes' S&P 500, 1994-2023; FDIC.gov, March 2023

Average earnings by education level at career midpoint

The average bachelor's degree graduate from NSU will see an increase in earnings of **\$21,900** each year compared to a person with a high school diploma or equivalent working in Louisiana.



Source: Lightcast employment data



Taxpayer perspective



NSU generates more in tax revenue than it receives. These benefits to taxpayers consist primarily of taxes that the state government will collect from the added revenue created in the state. As NSU students will earn more, they will make higher tax payments throughout their working lives. Students' employers will also make higher tax payments as they increase their output and purchases of goods and services. By the end of the FY 2023-24 students' working lives, the state government will have collected a present value of \$64.8 million in added taxes.

Benefits to taxpayers will also consist of savings generated by the improved lifestyles of NSU students and the corresponding reduced government services. Education is statistically correlated with a variety of lifestyle changes. The education that NSU students receive will generate savings in three main categories: 1) health care, 2) justice system, and 3) income assistance. Improved health will lower students' demand for national health care services. In addition, costs related to the justice system will decrease. NSU students will be more employable, so their reduced demand for income assistance such as welfare and unemployment benefits will benefit taxpayers. For a list of study references, contact the university for a copy of the main report. Altogether, the present value of the benefits associated with an education from NSU will generate \$19.9 million in savings to state taxpayers.

Total taxpayer benefits amount to \$84.7 million, the present value sum of the added tax revenue and public sector savings. Taxpayer costs are \$54.2 million, equal to the amount of state government funding NSU received in FY 2023-24. These benefits and costs yield a benefit-cost ratio of 1.6. This means that for every dollar of public money invested in NSU in FY 2023-24, taxpayers will receive a cumulative present value of \$1.60 over the course of the students' working lives. The average annual internal rate of return for taxpayers is 3.3%, which compares favorably to other long-term investments in the public sector.

For every dollar of public money invested in NSU, taxpayers will receive a cumulative value of **\$1.60** over the course of the students' working lives.

Social perspective



Society as a whole in Louisiana benefits from the presence of NSU in two major ways. Primarily, society benefits from an increased economic base in the state. This is attributed to the added income from students' increased lifetime earnings (added student income) and increased business output (added business income), which raise economic prosperity in Louisiana.

Benefits to society also consist of the savings generated by the improved lifestyles of NSU students. As discussed in the previous section, education is statistically correlated with a variety of lifestyle changes that generate social savings. Note that these costs are avoided by the consumers but are distinct from the costs avoided by the taxpayers outlined above. Health care savings include avoided medical costs associated with smoking, obesity, substance abuse, and depression. Justice system savings include avoided costs to the government and society due to less judicial activity. Income assistance savings include reduced welfare and unemployment claims. For a list of study references, contact the university for a copy of the main report.



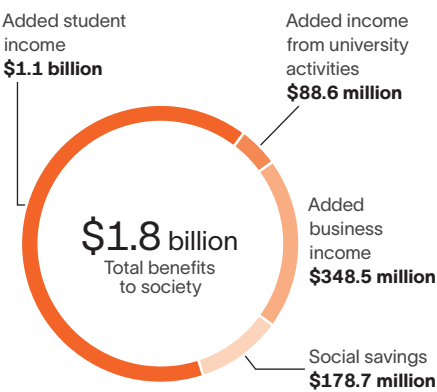
Altogether, the social benefits of NSU equal a present value of \$1.8 billion. These benefits include \$1.1 billion in added student income, \$348.5 million in added business income, \$88.6 million in added income from university activities, as well as \$178.7 million in social savings related to health, the justice system, and income assistance in Louisiana. People in Louisiana invested a present value total of \$210.9 million in NSU in FY 2023-24. The cost includes all the university and student costs.

The benefit-cost ratio for society is 8.3, equal to the \$1.8 billion in benefits divided by the \$210.9 million in costs. In other words, for every dollar invested in NSU, people in Louisiana will receive a cumulative value of \$8.30 in benefits. The benefits of this investment will occur for as long as NSU’s FY 2023-24 students remain employed in the state workforce.

Summary of investment analysis results




The results of the analysis demonstrate that NSU is a strong investment for all three major stakeholder groups—students, taxpayers, and society. As shown, students receive a great return for their investments in an education from NSU. At the same time, taxpayers’ investment in NSU returns more to government budgets than it costs and creates a wide range of social benefits throughout Louisiana.

Social benefits in Louisiana from NSU



Source: Lightcast impact model

Summary of investment analysis results

 Student perspective	 Taxpayer perspective	 Social perspective
Present value benefits \$598.5 million	Present value benefits \$84.7 million	Present value benefits \$1.8 billion
Present value costs \$126.5 million	Present value costs \$54.2 million	Present value costs \$0.2 billion
Net present value \$472.1 million	Net present value \$30.5 million	Net present value \$1.5 billion
Benefit-cost ratio 4.7	Benefit-cost ratio 1.6	Benefit-cost ratio 8.3
Rate of return 18.2%	Rate of return 3.3%	Rate of return n/a*

* The rate of return is not reported for the social perspective because the beneficiaries are not necessarily the same as the original investors.

NSU champions AI innovation through strategic industry partnerships

NSU alumnus Monty Chicola, founder of Real Vision Software, leads a new partnership between NSU and International Business Machines Corporation (IBM) to offer a remote AI and IBM Power Systems programming course—preparing students for high-demand careers in sectors from healthcare to finance. With this bold academic-industry collaboration and an expanding AI curriculum, NSU is positioning northwest Louisiana as a hub for innovation, workforce readiness, and long-term regional impact. Through academic integration, research, and public engagement, NSU is positioning itself as a catalyst for AI-driven economic development in northwest Louisiana and beyond.

Conclusion

*The results of this study demonstrate that NSU creates value from **multiple perspectives**.*

The university benefits regional businesses by increasing consumer spending in the region and supplying a steady flow of qualified, trained workers to the workforce. NSU enriches the lives of students by raising their lifetime earnings and helping them achieve their individual potential. The university benefits state taxpayers through increased tax receipts and a reduced demand for government-supported social services. Finally, NSU benefits society as a whole in Louisiana by creating a more prosperous economy and generating a variety of savings through the improved lifestyles of students.

About the study

Data and assumptions used in the study are based on several sources, including the FY 2023-24 academic and financial reports from NSU, industry and employment data from the U.S. Bureau of Labor Statistics and U.S. Census Bureau, outputs of Lightcast's Multi-Regional Social Accounting Matrix model, and a variety of studies and surveys relating education to social behavior. The study applies a conservative methodology and follows standard practice using only the most recognized indicators of economic impact and investment effectiveness. For a full description of the data and approach used in the study, please contact the university for a copy of the main report.



Lightcast provides colleges and universities with labor market data that help create better outcomes for students, businesses, and communities. Our data, which cover more than 99% of the U.S. workforce, are compiled from a wide variety of government sources, job postings, and online profiles and résumés. Hundreds of institutions use Lightcast to align programs with regional needs, drive enrollment, connect students with in-demand careers, track their alumni's employment outcomes, and demonstrate their institution's economic impact on their region. Visit lightcast.io/solutions/education to learn more or connect with us.