

Tennessee Leaders Action Platform



global action
platform
food+health+prosperity

Tennessee

Competitiveness Scorecard and Cluster Profile 2026



**CLUSTER
MAPPING**
A Strategy and Competitiveness Associates project

Made possible through the generous support of the
John R. Ingram Advised Fund of the Community Foundation of Middle Tennessee.

Introduction

The research and publication of the Tennessee Competitiveness Scorecard and the Regional Competitiveness and Cluster Factbooks are made possible through the generous support of the **John R. Ingram Advised Fund of the Community Foundation of Middle Tennessee** to provide a data-driven foundation for regional competitiveness .

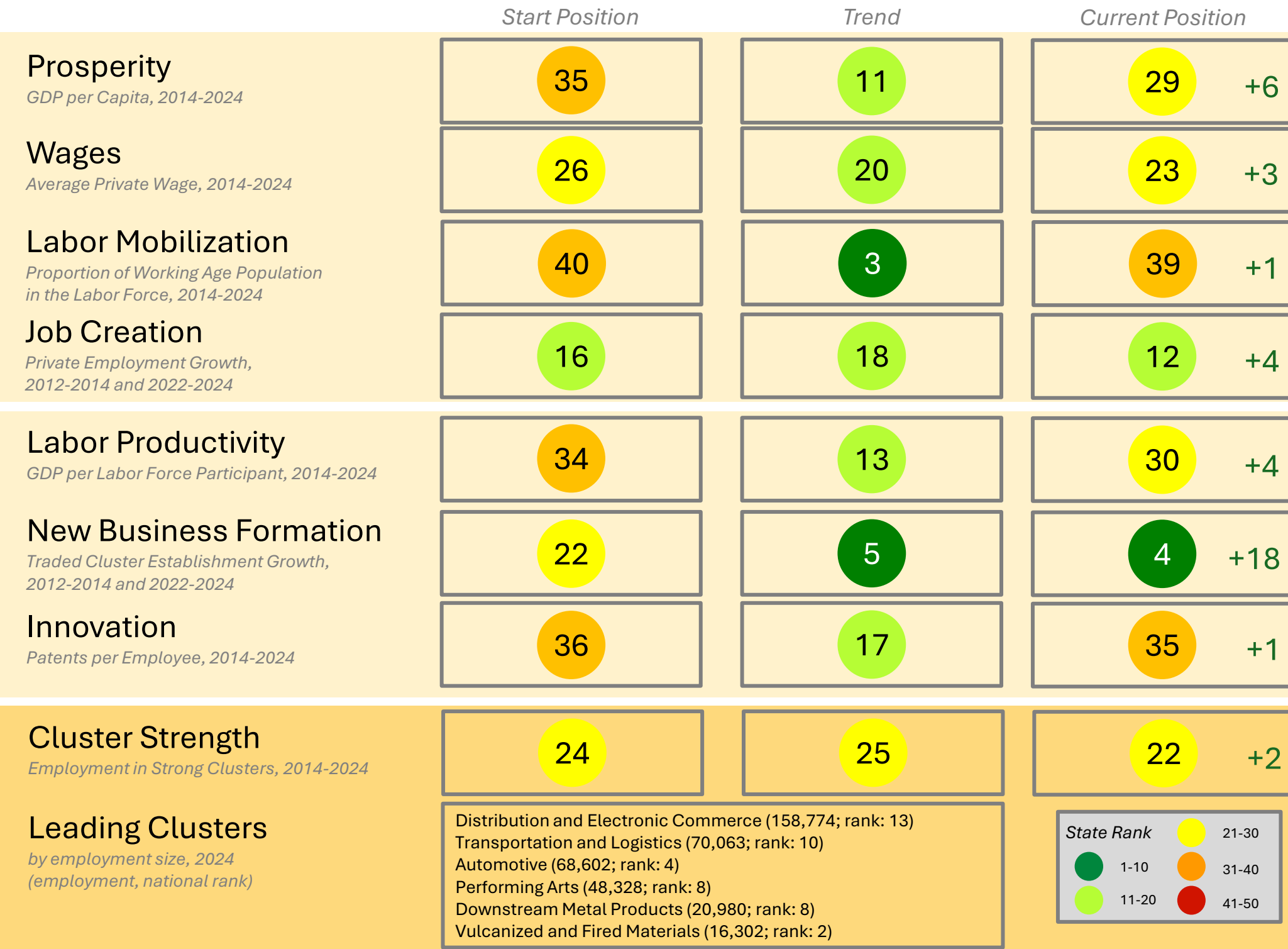
Global Action Platform has organized the Tennessee Leaders Action Platform to advance the competitiveness and guide the eight major cluster economies anchored in Tennessee and adjacent states. This Competitiveness and Cluster Factbook is provided to the Fellows of the Porter Development Initiative Fellows Academy to advance data-driven strategies and decisions for regional development. The Academy gives Tennessee leaders access to cutting-edge ideas, metrics, and practical strategies to create shared prosperity for their communities and supports initiatives that connect creation of globally competitive innovation hubs with education and research, regional collective impact collaboration, and quality of life.

Strategy and Competitiveness Associates has leveraged data from the US Cluster Mapping Project to assemble factbooks customized for each of the eight Tennessee Leaders Action Platform (TLAP) regions. These factbooks are structured around the four major themes for the inaugural TLAP conference to be held in June 2026: Innovation Hub Development, Education and Workforce, Collaborative Governance, and Quality of Life. This work owes much to our long collaboration with Prof. Michael E. Porter at Harvard Business School, especially around his insights on the foundational role of Traded Clusters in regional economic development and on the role of public-private partnerships in support of the quality of regional business environments surrounding clusters and in support of social progress for all citizens.

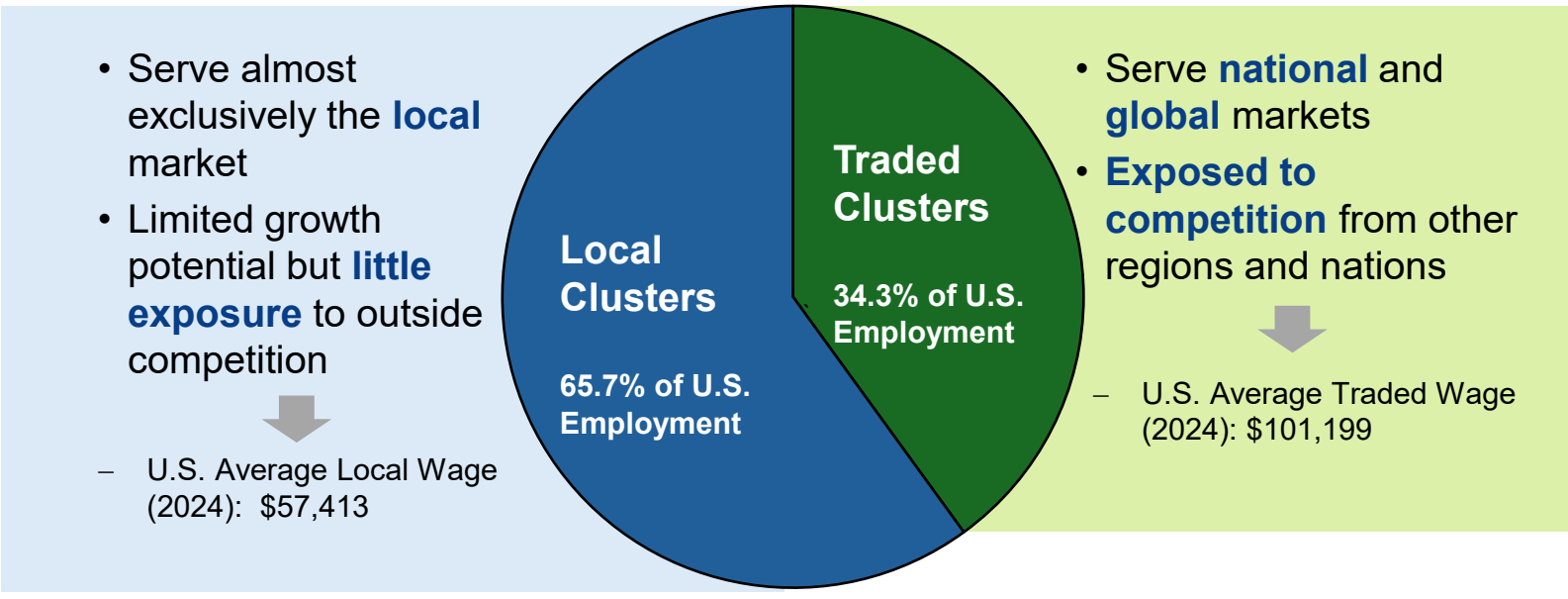
Contents

Tennessee Competitiveness Scorecard	page 4
Employment in Traded and Local Clusters	page 5
Employment in Traded Clusters	page 6
Job Creation in Traded Clusters	page 7
Wages in Traded Clusters	page 8
Specialization in Traded Clusters	page 10
Specialization in Traded Clusters (zoomed view)	page 11
Cluster Linkages and Economic Diversification	page 12
Employment in Local Clusters	page 13
Job Creation in Local Clusters	page 14
Wages in Local Clusters	page 15
TLAP Regions Employment Matrix in Tennessee Strong Clusters	page 17

Tennessee Competitiveness Scorecard

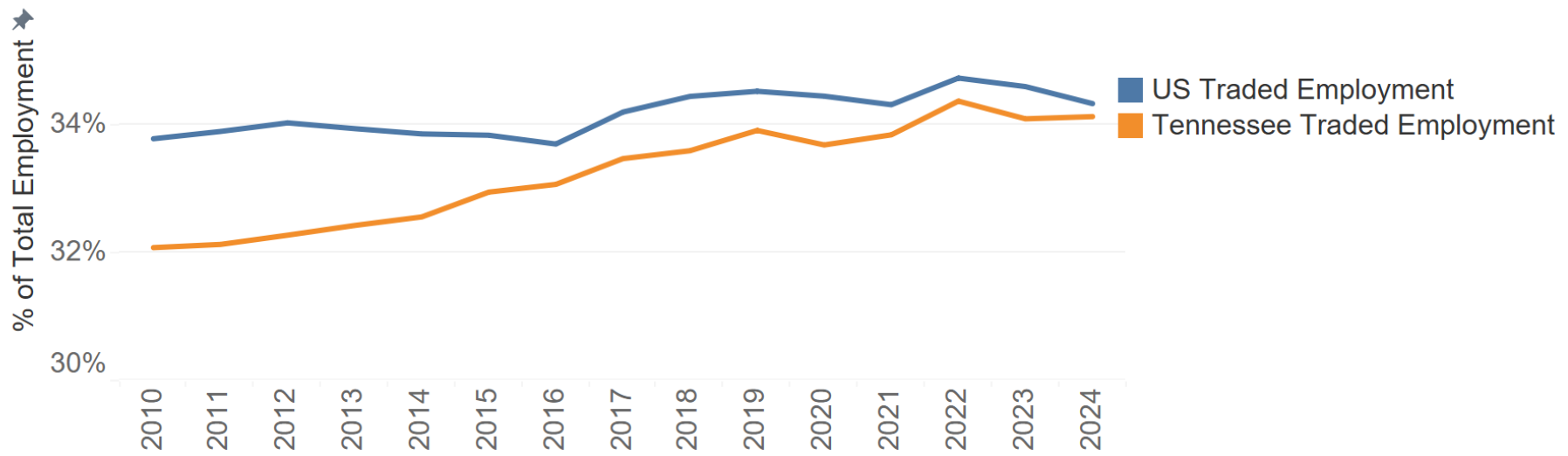


Tennessee Traded and Local Clusters

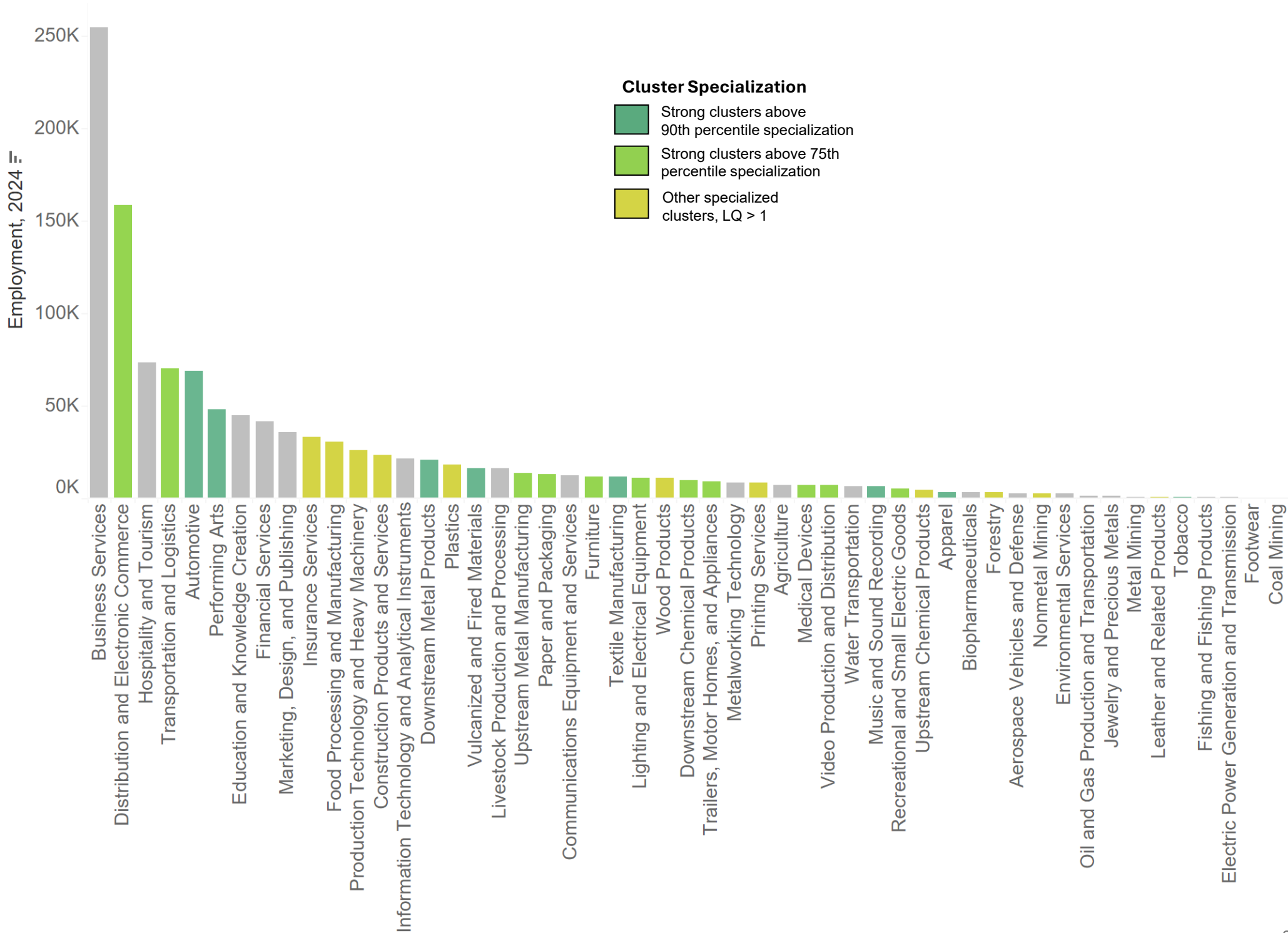


Tennessee’s share of employment in Traded Clusters has grown to equal the proportion in the U.S. while wages in Traded Clusters are gaining more slowly.

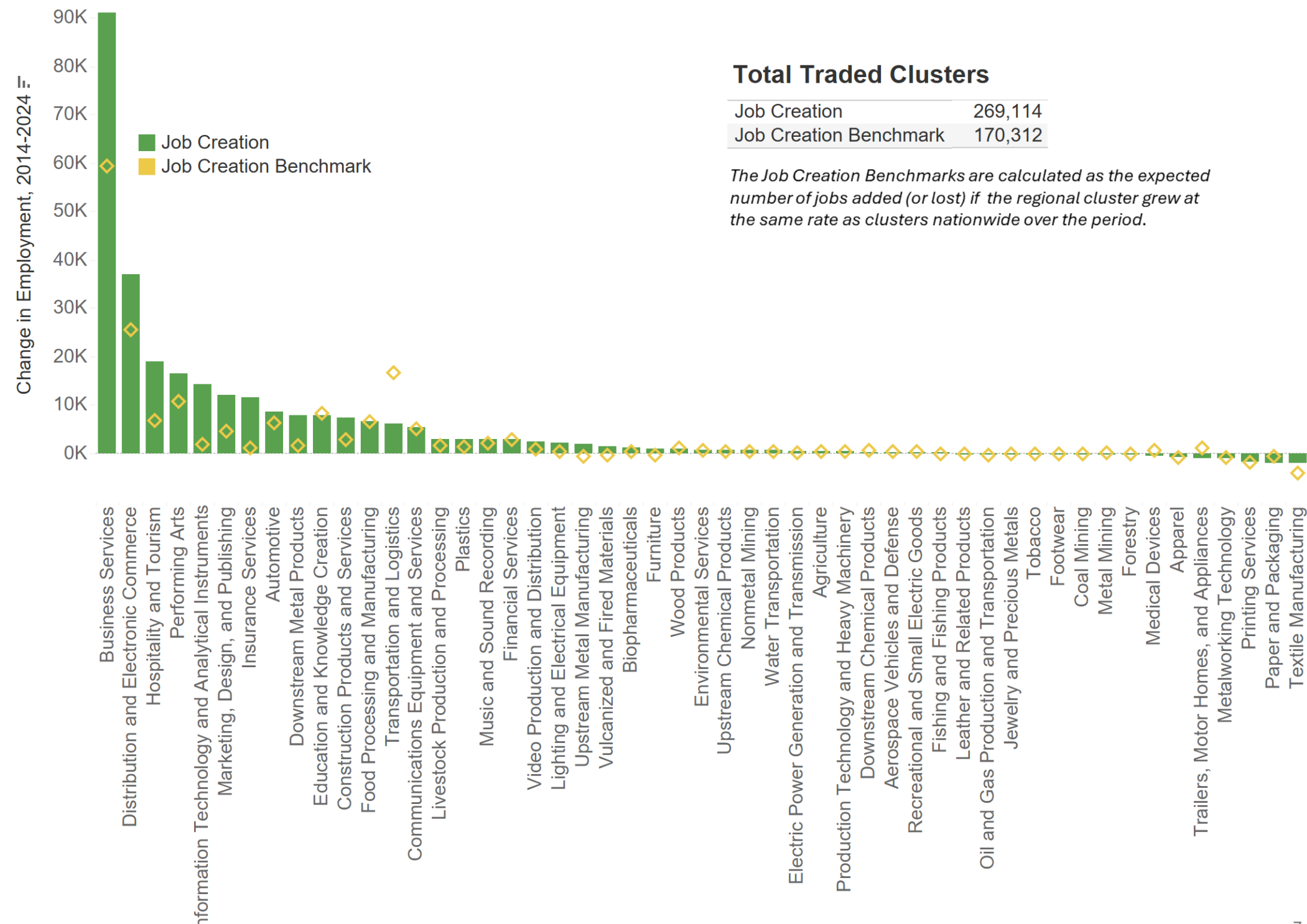
	Local	Traded	Total
State Wage	56,838	84,772	66,412
US Wage	57,413	101,199	72,465
Percent of US	99.0%	83.8%	91.6%



Tennessee Employment in Traded Clusters, 2024

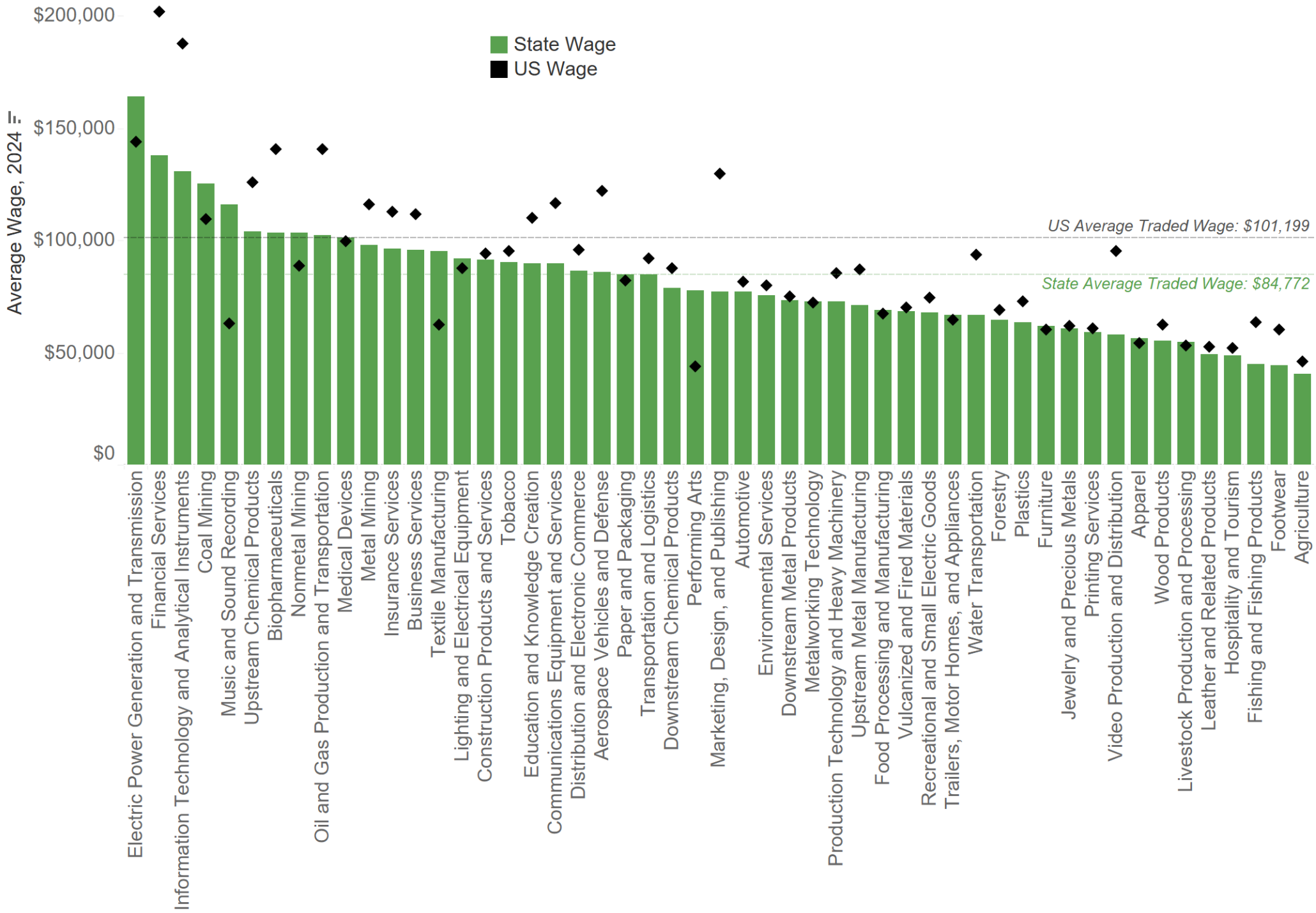


Tennessee Job Creation in Traded Clusters, 2014-2024



Source: US Cluster Mapping Project; BLS QCEW; Census NES – private employment

Tennessee Wages in Traded Clusters, 2024

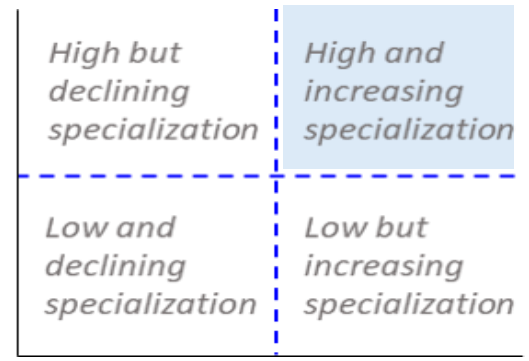


Source: US Cluster Mapping Project; BLS QCEW; Census NES – private employment

Chart descriptions

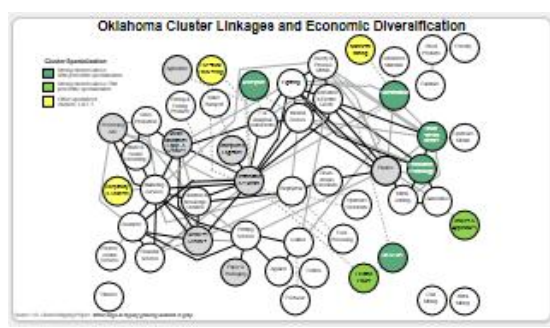
Cluster Specialization

On the following two slides Tennessee's portfolio of Traded Clusters are plotted according to specialization (vertical axis) and change in specialization (horizontal axis). The size of the circles is proportional to absolute employment in 2024. Clusters toward the top have high specialization. Clusters toward the right have increasing specialization. Note that a cluster (like Textiles) can have an increasing share while declining in employment if it is declining more slowly than levels in the US overall.

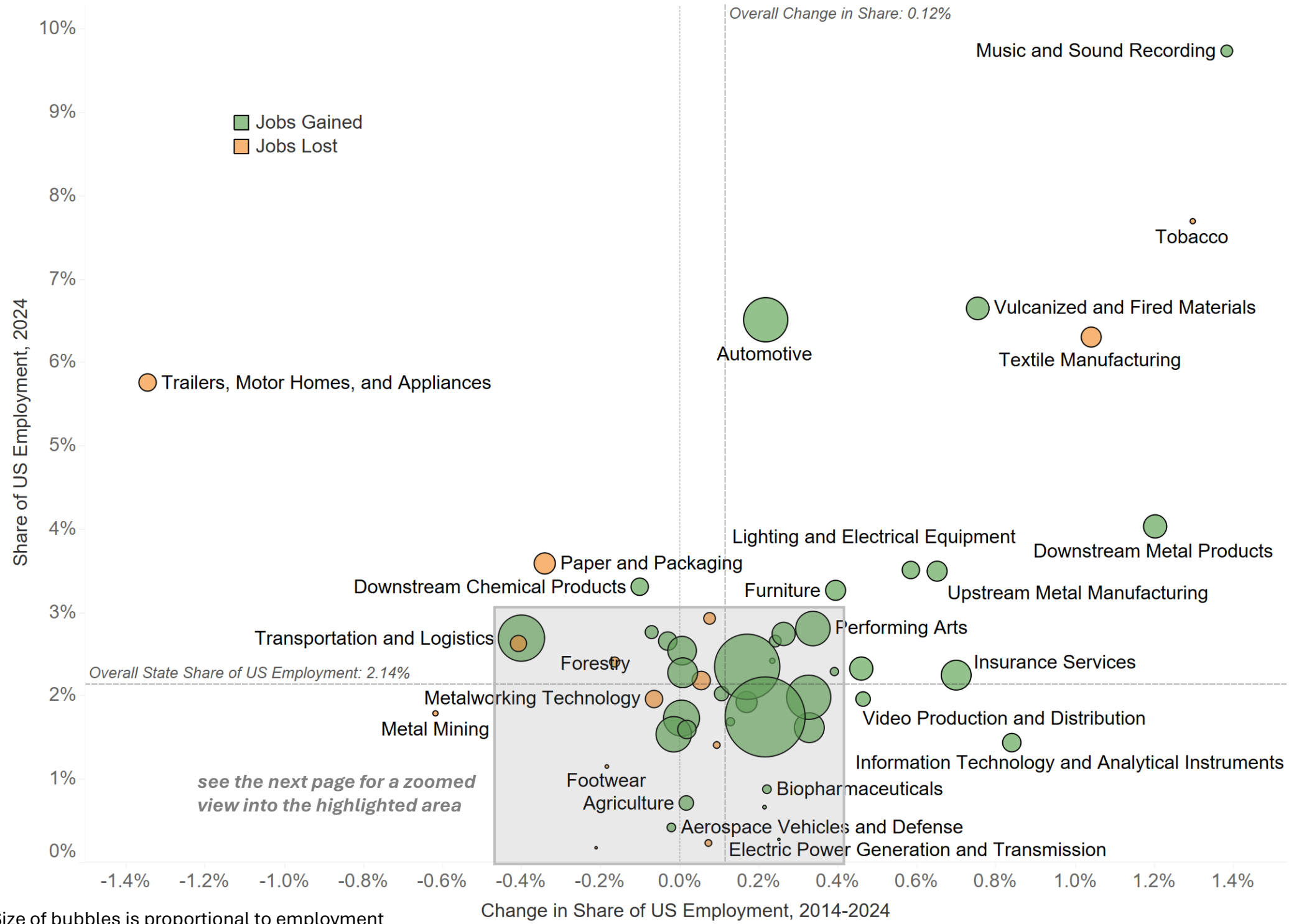


Cluster Linkages and Diversification

Clusters capture related industries that tend to co-locate and gain strength from each other. At a broader level, while not as strong typically as intra-cluster relationships, some clusters have relationships with other clusters. Innovation and paths of development often occur where these cluster linkages exist.

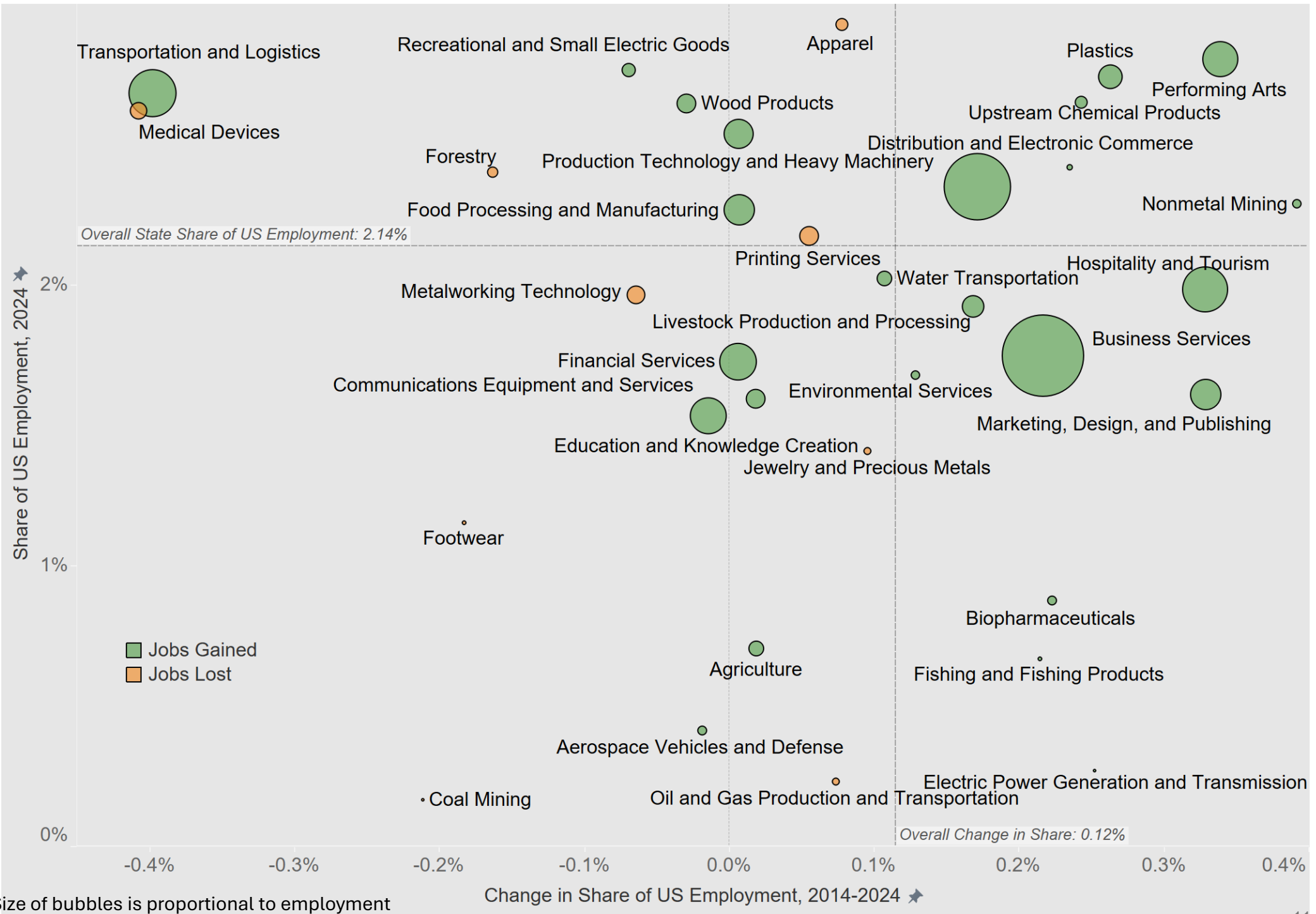


Tennessee Specialization in Traded Clusters, 2014-2024



Tennessee Specialization in Traded Clusters, 2014-2024

(Zoomed View)

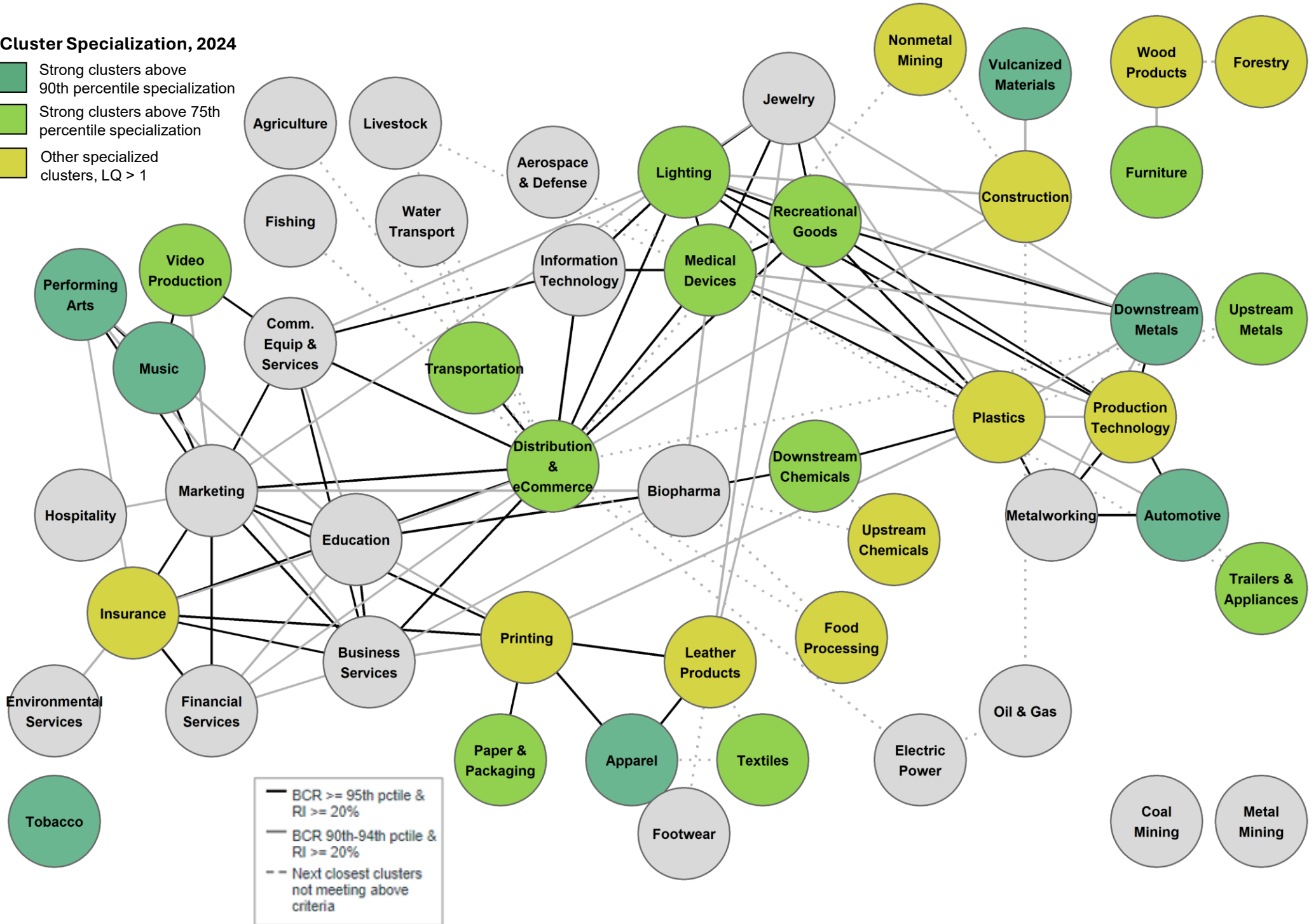


Size of bubbles is proportional to employment
Source: US Cluster Mapping Project; BLS QCEW; Census NES – private employment

Tennessee Cluster Linkages and Economic Diversification

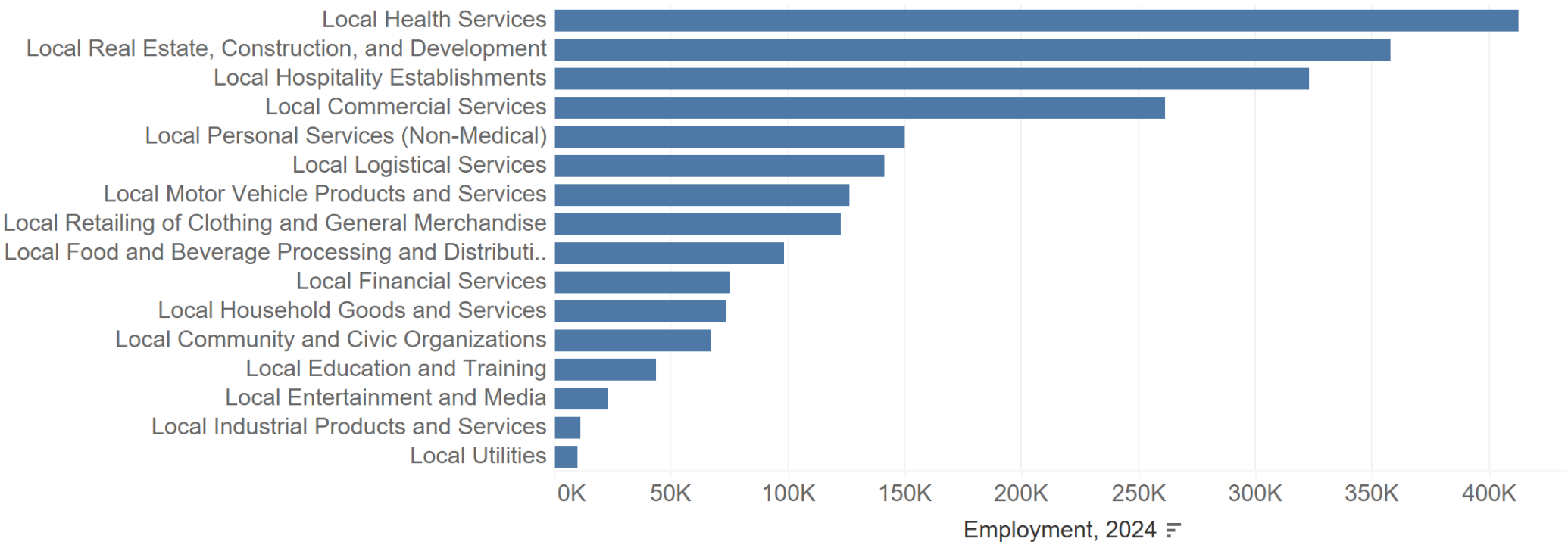
Cluster Specialization, 2024

- Strong clusters above 90th percentile specialization
- Strong clusters above 75th percentile specialization
- Other specialized clusters, LQ > 1

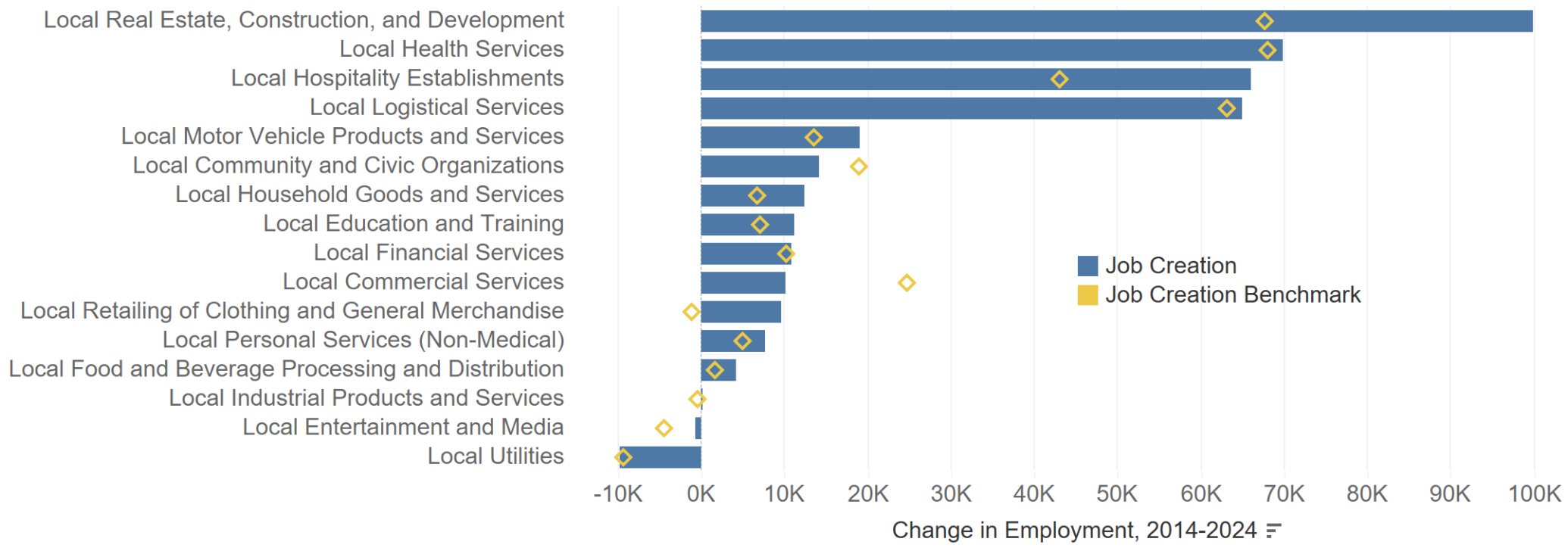


— BCR \geq 95th pctile & RI \geq 20%
 — BCR 90th-94th pctile & RI \geq 20%
 - - Next closest clusters not meeting above criteria

Tennessee Employment in Local Clusters, 2024



Tennessee Job Creation in Local Clusters, 2014-2024

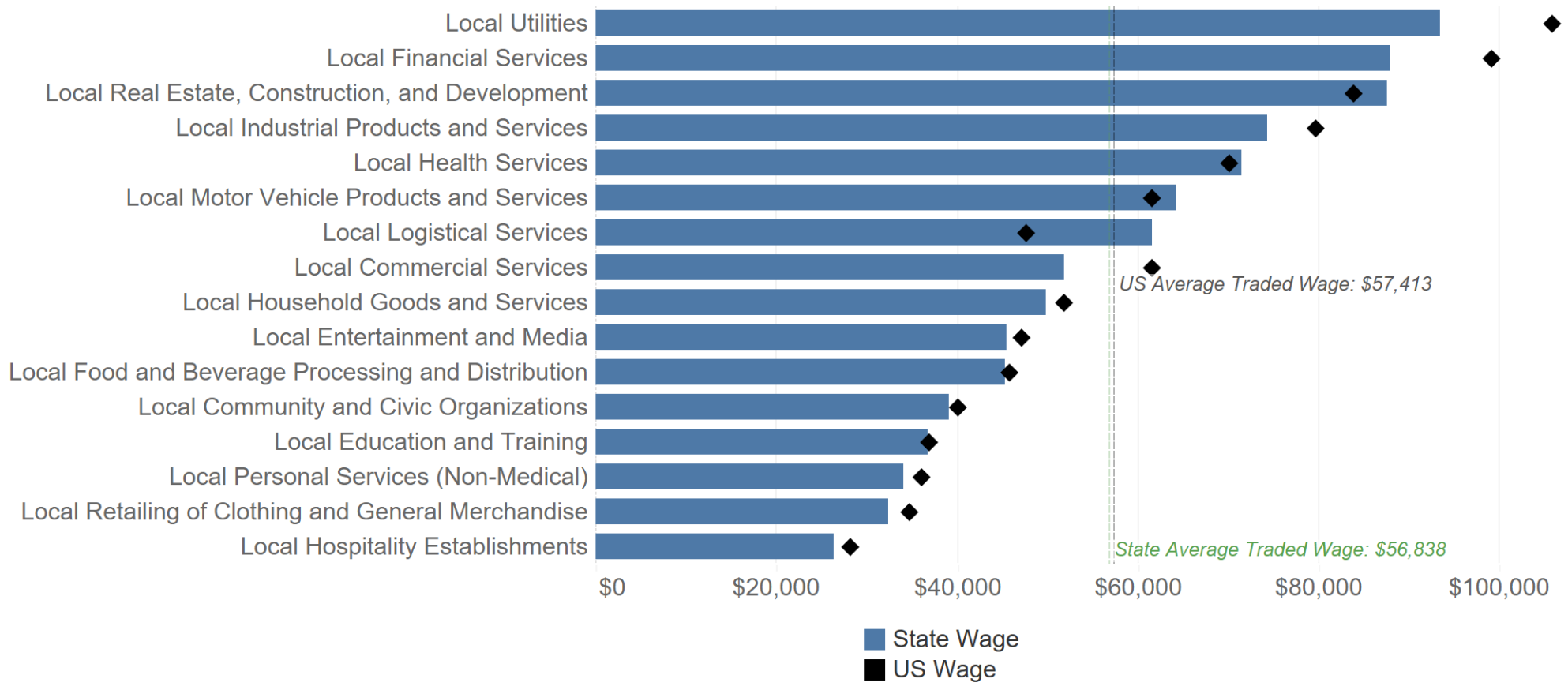


Total Local Clusters

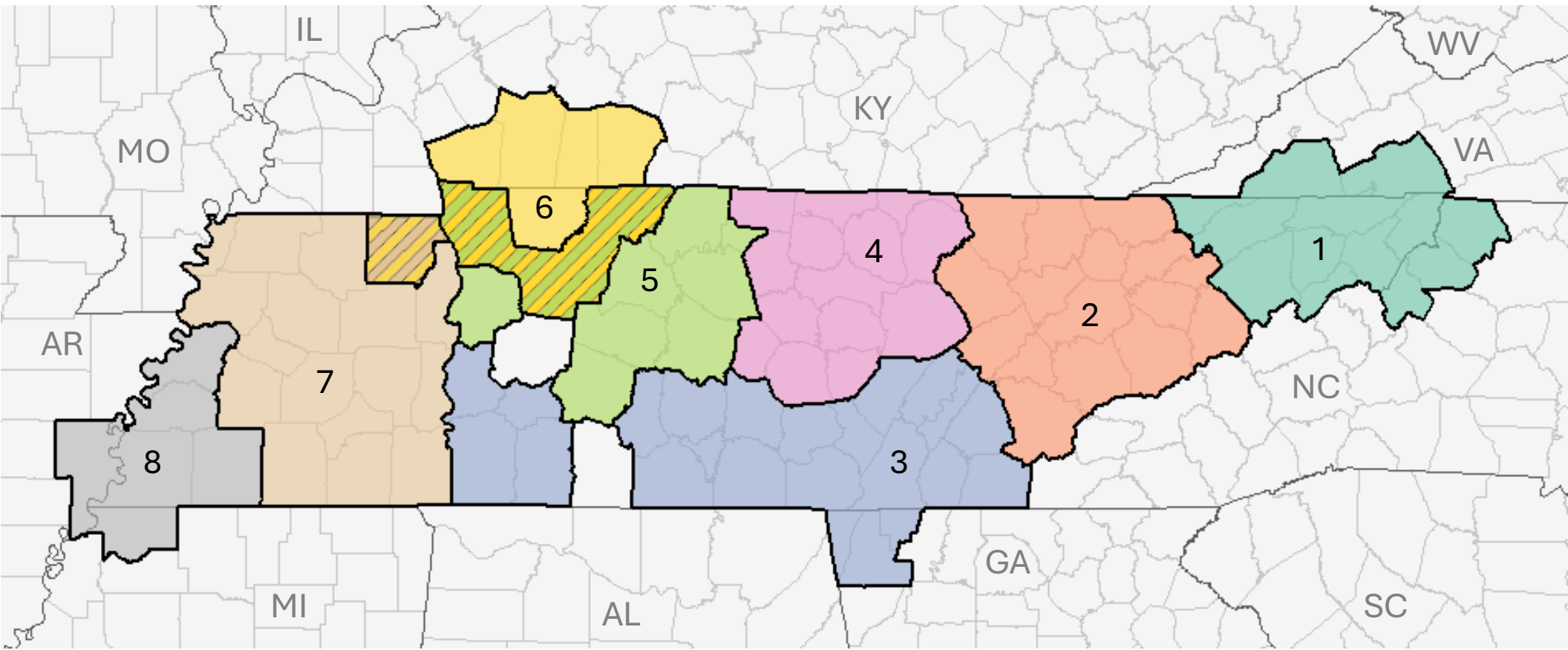
Job Creation	389,396
Job Creation Benchmark	305,585

The Job Creation Benchmarks are calculated as the expected number of jobs added (or lost) if the regional cluster grew at the same rate as clusters nationwide over the period.

Tennessee Wages in Local Clusters, 2024



Tennessee Leaders Action Platform: Eight Zones Organized



- Zone 1: Tri-Cities
- Zone 2: Knoxville-Oak Ridge
- Zone 3: Chattanooga
- Zone 4: Cookeville-Crossville
- Zone 5: Nashville
- Zone 6: Clarksville-Fort Campbell
- Zone 7: Jackson-Martin
- Zone 8: Memphis

Note: The Clarksville-Fort Campbell Zone overlaps with two other zones.

TLAP Regions Employment Matrix in Tennessee Strong Clusters, 2024

Cluster Specialization

- Strong clusters above 90th percentile specialization
- Strong clusters above 75th percentile specialization
- Other specialized clusters, LQ > 1

	Zone 1: Tri-Cities	Zone 2: Knoxville-Oak Ridge	Zone 3: Chattanooga	Zone 4: Cookeville-Crossville	Zone 5: Nashville	Zone 6: Clarksville-Fort Campbell	Zone 7: Jackson-Martin	Zone 8: Memphis
Distribution and Electronic Commerce	9,006	19,880	17,213	4,471	53,055	7,136	6,647	51,976
Automotive	4,216	12,388	19,820	3,786	21,261	6,900	4,661	2,970
Transportation and Logistics	3,016	8,682	10,878	1,891	26,008	2,226	4,090	17,917
Performing Arts	2,275	5,476	3,531	879	30,197	1,914	888	5,325
Downstream Metal Products	2,620	7,415	2,543	587	4,107	1,660	1,191	2,168
Vulcanized and Fired Materials	1,986	2,433	2,485	819	3,316	2,506	3,647	1,341
Upstream Metal Manufacturing	1,646	3,727	2,181	824	3,501	1,836	1,495	793
Textile Manufacturing	5,158	2,857	3,820	430	651	319	254	1,030
Paper and Packaging	943	2,008	3,335	307	2,988	624	1,442	2,016
Trailers, Motor Homes, and Appliances	1,680	1,613	3,124	347	2,558	3,069	142	736
Furniture	949	4,661	2,179	949	2,278	712	1,049	422
Lighting and Electrical Equipment	1,640	1,487	1,551	174	3,185	619	1,931	2,043
Downstream Chemical Products	1,076	1,440	1,118	262	3,237	517	945	1,914
Medical Devices	243	591	300	79	597	153	34	5,662
Video Production and Distribution	194	801	652	71	4,604	158	48	452
Music and Sound Recording	43	152	101	21	5,487	104	26	269
Recreational and Small Electric Goods	596	910	1,069	758	1,501	125	101	250
Apparel	301	651	531	277	931	243	205	515
Tobacco	0	10	0	32	373	308	184	68

**Strategy and 
Competitiveness
Associates**

Boston, MA
info@strat-comp.org