Apprenticeship as a Talent Development Strategy

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Why Apprenticeship?

Build a Competitive Workforce
Employers Facing Complex Workforce Challenges in Competitive Domestic and Global Markets

Time-Tested Model
Proven Strategy for Recruiting, Training and Retaining World-Class Talent Used by Industry for Decades (and longer!)

Adaptable and Flexible
Registered Apprenticeship is a Solution and Can Be Integrated into existing Training and Human Resources Development Strategies!!!
Apprenticeship Facts and Figures

Did You Know?

150,000
Employers and Labor Management Organizations Participate in Apprenticeship.

500,000
Apprenticeships Nationwide in More than 1,000 Occupations.

$50,000
Average Starting Salary of Apprentices Per Year While Earning a Credential Equivalent to a 2 or 4 Year College Degree

$300,000
Amount Workers Who Complete Apprenticeship Programs Earn More Over a Lifetime Than Peers

$1.47 per $1.00
For Every $1 Spent on Apprenticeship, Employers Get an Average of $1.47 Back in Increased Productivity
<table>
<thead>
<tr>
<th>Statistic</th>
<th>Number</th>
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<tbody>
<tr>
<td>Current Number of Apprentices</td>
<td>533,130</td>
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<tr>
<td>New Apprentices in FY 2017</td>
<td>200,000</td>
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<tr>
<td>Completed Apprentices in FY 2017</td>
<td>64,128</td>
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<tr>
<td>Active Programs in FY 2017</td>
<td>20,000</td>
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<tr>
<td></td>
<td>Current Number of Apprentices</td>
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<tr>
<td>Registered Apprenticeship</td>
<td>7,553</td>
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<tr>
<td>Georgia State Numbers</td>
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What is Apprenticeship?

- Employer Involvement
- Structured On-the-Job Learning
- Related Training and Instruction
- Rewards for Skill Gains
- National Occupational Credential

Five Core Components of Apprenticeship
#1: Employer Involvement

Employers Design and Own their Apprenticeship Program

- Employers determine what critical occupations they need and design apprenticeship programs for those jobs

- Written agreement between employer/program sponsor and apprentice (employee)

- Apprentice can be new hire or incumbent worker

- Employer determines apprentice program qualifications, on-the-job learning (OJL) tasks and related technical instruction (RTI)
#2: Structured, Paid On the Job Learning

- Minimum of 2,000 hours (equivalent to 1 year full-time work) of on-the-job learning
- Can be 1-5 year program
- Structured and supervised
- Low mentor/apprentice ratio for knowledge transfer
- Employer decides what work processes are critical for OJL
#3: Job-Related Technical Instruction

- Classroom, online or hybrid instruction to complement OJL
- 144 hours recommended per year
- Employer can choose WHO provides instruction (in-house, community/technical college, other instructional provider) and WHEN apprentices complete RTI:
  - Parallel -- apprentices take classes while working full-time (either after work or on specific days)
  - Front-loaded – apprentices take majority of classes at beginning of apprenticeship
  - Segmented – classroom instruction is divided into segments and spread between OJL periods
#4: Rewards for Skills Gains

- Written plan by employer to increase apprentices’ wages over term of apprenticeship

- EMPLOYER determines base rate of pay AND scheduled increases – apprentices typically start at base rate of 50% of Journeyworker/experienced professional rate of pay for position

- Increases only awarded if apprentice meets guidelines

- Increases worker retention

- Helps attract more qualified, serious applicants looking for long-term careers
#5: National Credentials

- Apprentice program completers earn nationally-recognized credential
- Certifies job proficiency
- Industry-valued certification
- Increases worker mobility while ensuring competitive pay
- Increases employers’ competitive advantage when bidding on federal or other government contracts
Apprentice Minimum Requirements

- Minimum Age of 16 Years Old & 17 Years Old with Parental Consent (No Maximum Age Requirement)
- U.S. Citizenship, Permanent Residency Status or Residents Whose Visas Permit Employment Within the United States
- Ability to Satisfy Sponsor Additional Minimum Requirements (If Applicable)
  - Education, Physical Ability, Background Checks, Drug Testing, etc.
- Ability to Successfully Complete OJL and RTI Requirements (Apprentice Progress Assessed by Sponsor)
  - Apprentices are Bound by Requirements in RA Program Standards of Apprenticeship
  - Failure to Satisfy Program Standards Requirements May Result in Apprentice Suspension, Termination and/or Financial Obligation, etc. as Outlined in RA Program Standards of Apprenticeship
- Desire to Earn – Learn – Succeed!
Basic Sponsor Responsibilities

- **Employ Apprentices Full Time**
  - Program Sponsor Does Not Have to Be the Employer
  - High School Student Apprentices Work Hours Based Upon School and RA Program Agreements IAW FLSA

- **Train Apprentices in OJL Job Tasks**
  - Apprentices Must Have the Opportunity to Train in All Phases of the Occupation
  - OJL and RTI are Coordinated to Maximize Effectiveness of Training

- **Train Apprentices in RTI Courses**
  - Program Sponsor and/or Related Training Provider
  - Apprentices Do **Not** Have to Be Paid for RTI hours
  - RTI is Conducted During and/or After Apprentice Work Hours at Employers Discretion
  - RTI Courses are Completed as Outlined in Work Process Schedule and Based Upon Availability of RTI Provider and Employer Work Schedule
  - Can Partner with High School College Preparatory, Career Academies, Career Technical Education, and Work Based Learning Programs

- **Desire to Develop Skilled Workforce!**
  - RA Programs Require Minimal Sponsor Administrative Activities
  - Free Technical Assistance Services to Employers from OA Staff and Strategic Partners
Apprenticeship is a “Win-Win-Win.”

### Apprentices
- Earn-As-You-Learn
- Earn College Credit

### Businesses and Stakeholders
- Helps Recruitment
- RA Sponsors Featured on Apprenticeship USA Website
- OA Staff Market Programs During Outreach Activities
- OA Staff Connect Sponsors with Strategic Partners to Assist in Program Development, Growth and Long-Term Success

### Educational Institutions
- Closer Relationships with Industry Partners and Community
- Articulation Agreements Between Apprenticeship and College Programs Ensures Relevance and Rigor of Curriculum
- Increased Enrollment in Credit Classes by Apprentices, Program Instructors and Mentors (Journeyworkers)
Benefits for Employers and Workers
Employer Benefits

✓ Helps in recruitment and development of skilled workforce

✓ Improves productivity and bottom line: employers earn $1.47 in increased productivity for every $1 invested in apprenticeship

✓ Reduces turnover costs and increases employee retention

✓ Provides opportunities for tax credits and employee tuition benefits (federal and state)

✓ Proven to diversify workforce

✓ Standardize training across multiple sites
Worker Benefits

✓ Full-time salary and benefits while learning

✓ Wages increase as skill increases

✓ Average starting salary of $50k while earning credential equivalent to 2 or 4-year college degree

✓ Completers earn approximately $60,000 per year & more than $300k more than non-apprentice peers in lifetime earnings

✓ 87% of completers remain employed

✓ Opportunities to earn college credit and degrees

✓ National, portable, industry-valued credential
Common Apprenticeship Myths
Apprenticeship Myth #1

Apprenticeship is a limited training program only for large employers.
Apprenticeship Reality

- Small and large businesses, open shops, union shops, organizations and colleges are all RA sponsors
- Currently more than 500,000 apprentices nationwide
Apprenticeship Myth #2

Apprenticeship is a training program only for construction trades.
1,000 approved apprentice occupations INCLUDING “professional” occupations
Provides pathway to supervisory/management positions for blue collar/white collar & non-collar jobs
Apprenticeship Myth #3

Apprenticeship is only for non-college bound workers
Apprenticeship Reality

- Apprenticeship blends work and college-level technical education
- Required classroom training often results in college ACADEMIC credit leading to certificates/credentials
- Debt-free
- Federal and State funds for RTI
Apprenticeship Myth #4

If I register an apprenticeship program with DOL the federal government will tell me who to employ, how much to pay them and micromanage my workforce training.
The Office of Apprenticeship is NOT an enforcement agency.

YOU – as the employer – decide WHO to hire, HOW MUCH to pay, WHEN to fire, and HOW you will manage your program.
Apprenticeship Program Development Process

Step 1: Contact Us
- Contact U.S. Department of Labor, Office of Apprenticeship (OA) Representative or State Apprenticeship Agency (SAA) Consultant

Step 2: Build Program
- Provide New Sponsor Information or Complete Online Standards Builder

Step 3: Program Check
- Review and Approval of Customized Standards of Apprenticeship Developed Based on Sponsor’s Operational Input

Step 4: Program Registered
- OA or SAA Receive Finalized Standards of Apprenticeship and Certificate of Registration Documents

Step 5: Launch Program
- Employer Implements Apprenticeship Program
Why can Apprenticeship be the answer?

Apprenticeship is a flexible and proven talent development strategy that can help grow talent at your company.
All 22 TCSG colleges are members of Registered Apprenticeship College Consortium
“German” Apprenticeship Program

- Begins in 10th grade (15 years old)

- Must test “college” ready to participate

  Apprentices earn:
  - High School Diploma
  - Technical College Certificates of Completion
  - German Apprenticeship Certificate
  - US DOL Apprenticeship Certificate
  - Over $25,000 in earnings
Intermediaries as RA Program Sponsor

- **17** of **22** TCSG Colleges are approved as RA Program Sponsor
- We do all the paperwork
- **No Cost** to the Company
GEORGIA WORKSMART
A STATEWIDE APPRENTICESHIP PARTNER
Individual Training Account (ITA)
- Used to fund the related classroom instruction
- All RA program sponsors are automatically eligible to be placed on ETPL
- Can be used in combination with other WIOA services

On-the-Job Training
- Supported by a contract with the employer to reimburse apprentices wages
- Supports the OJL portion of the RA program
- Depending on program length, OJT funds may cover some or all of the RA program.
- Must adhere to maximum length for OJT reimbursement allowed under WIOA and state/local policies

Supportive Services
- Can be used to toward a variety of services, including books, supplies, transportation, child care, and uniforms
- Most commonly provided during pre-apprenticeship or at the beginning of an apprenticeship program
RA & WIOA

Additional WIOA programs to support Registered Apprenticeships:

- Customized Training
- Incumbent Worker
- Work Experience
- Basic Skills Preparation

“Because RA programs include immediate employment, they provide an excellent opportunity for dislocated workers, returning military service members, and others needing to transition to new careers.”
EMPLOYMENT: An apprenticeship is a job – participants are employed at the beginning of the training. Under WIOA, all participants (including incumbent workers) in apprenticeship programs are counted positively in this measure, as long as they remain in the apprenticeship following exit from WIOA until the quarter of measurement.

EMPLOYMENT RETENTION: Since apprenticeship programs range between one and six years, many programs last longer than the time that a participant will be enrolled in WIOA. This is not a barrier to positive outcomes. Since apprentices are employed, if participants continue in the apprenticeship after exiting WIOA until the quarter of measurement, then they will count positively in this measure.

EARNINGS: Apprentices start at a good wage, and then receive increases in wages as their skills and knowledge increase.

CREDENTIAL ATTAINMENT: Graduates from Registered Apprenticeship programs receive a credential issued by the USDOL. This national occupational credential, referred to as a certificate of completion, is a recognized credential under WIOA.

SKILL GAINS: The foundation of the apprenticeship model is that apprentices progressively increase their skills and competencies throughout the program.
For most training services, participants complete their training and then exit the WIOA program. However, apprenticeships range from one to six years.

*The length of apprenticeship programs is not a barrier to positive outcomes under the performance measures.*

Exiting should be based on when the participant is successfully moving through the RA program and does not need any additional supportive or training services through WIOA. The following are two factors to consider when determining an appropriate exit policy:

- Wage Increases
- Credential Attainment
AAI Grant

“To promote and expand apprenticeships in Advanced Manufacturing”
Pre-Apprenticeship

- Pre-Apprenticeship are designed to prepare individuals to enter and succeed in Registered Apprenticeship programs.

- Pre-Apprenticeship programs are not certified by USDOL, but all programs must:
  1. Have a documented partnership with at least one RA sponsor.
  2. Must expand the participant’s career pathway opportunities with industry-based training coupled with classroom instruction.

YouthBuild and Job Corps can serve as a great pre-apprenticeship partner since these programs have attributes of a quality pre-apprenticeship program.

Pre-Apprenticeship is not just a youth program strategy, but may also be an effective strategy for adult participants.
Federal Guidance

- **29 CFR 29**: Labor Standards for the Registration of Apprenticeship Programs
- **TEGL 13-16**: Guidance of Registered Apprenticeship Provisions and Opportunities in the Workforce Innovation and Opportunity Act (WIOA)
- **TEN 31-16**: Framework on Registered Apprenticeship for High School Students
- **TEGL 19-16**: Guidance on Services Provided through the Adult and DW Programs under WIOA
- **TEN 13-12**: Defining a Quality Pre-Apprenticeship Program and Related Tools and Resources
The Georgia Apprenticeship Team

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