Apprenticeship 2019

A Year of Partnership
A Year of Growth
A Year of Investment
A Year of Innovation

Bill Kraus - Acting Tennessee State Director
Agenda

- **Apprenticeship Expansion**
  - Key Initiatives Underway

- **Apprenticeship Primer**
  - Review Some Basics

- **Tennessee Update**
  - Review Some Basics

- **Next Steps**
  - Ideas to Grow Apprenticeship Together

Let’s Explore
This has been a remarkable period of growth for the American economy and workers.

3.8 Million Jobs Created Since 2017.

The national unemployment rate in April 2019 was the 3.3%.

The unemployment rate for Tennessee in April 2019 was 2.8%.
But challenges remain and Apprenticeship can help address our nation’s skills gap.

- Over 6 million jobs are unfilled.
- 8 million workers lack necessary credentials.
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- 61% of employers face challenges filling skilled worker vacancies.
- Total American student debt surpasses $1 trillion. Average college student debt $26,000+.
- 61% of employers face challenges filling skilled worker vacancies.
- Increased Attrition
- Increased Economic Growth
Apprenticeship Primer

Review Some Basics
Apprenticeships Are a Customizable, Flexible, and Proven Business-Driven Model for Developing Workers.

Core Apprenticeship Components

Industry Leads

Employers are the foundation of every apprenticeship program and lead apprentice selection, curriculum design, and program operation.

Apprenticeship Is a Job

Apprenticeship is a job with a paid work component.

Instructional Component

Apprenticeship has an educational / training component which can include community college or Apprenticeship Training Center courses.
Apprenticeship has a long track record of producing strong results for both businesses and workers.

Impressive Individual – Business – Public Benefits

- $60,000 on average per year for completers
- $300,000+ in lifetime earning advantage for apprentices
- $1.47 return for every dollar spent on apprenticeship by employers
- $28 in benefits for every $1 invested by the government
- $1 to $10 for every $1 invested by government, leveraging $10 in private sector investment
In addition to construction and trade occupations, Apprenticeships work for a broad range of industries.

**Insurance/Finance**
- The Hartford
- AON
- Zurich Insurance and Harper College
- University System of Georgia and FINTECH
- Liberty Mutual

**Information Technology**
- Microsoft
- Amazon
- Unisys
- FIS
- Anthem Health

**Transportation**
- US XPRESS
- MCI
- Peterson Automotive

**Advanced Manufacturing / Engineering**
- Dow Chemical
- TCSG and Poultry
- General Dynamics
- Kroger

**Healthcare**
- CVS - Pharmacy Technician and Store Managers.

**Energy**
- Mercuria - IT Data and Risk Management Analysts.
Apprenticeship Expansion
Let’s Look at Some Key Initiatives
The Department of Labor will support innovative work-based learning approaches, technology modernization, and state initiatives that result in expansion of apprenticeship programs.
Grants to states will support activities that lead to the expansion of apprenticeship and advance alignment and integration of apprenticeship and public workforce systems.
Competitive awards built on the American Apprenticeship Grant initiative will support the expanded use of apprenticeship models in new and emerging, high-growth industries/sectors.
What's New?
Colleges
States
What's New
Under
WIOA
Takeaways & Ideas

Build Inclusive Partnerships
• Timing is key. Involve WIOA staff early

Communicate and Educate
• Hold periodic update meetings between WIOA and Apprenticeship staff
• Educate partners on apprenticeship terminology and program structures
• Learn the state and local WIOA procedures and help develop RA policy

Registered Apprenticeship ETPL Mechanism

Know the Regulations
• WIOA Final Rules, TEGLs, TENs, etc.
• WIOA Performance Measures

Encourage Pre-Apprenticeship Development
Next Steps
Let’s Explore Ideas to Grow Apprenticeship Together
In Summary...

Apprenticeship provides:

First and foremost, apprenticeship helps businesses develop highly-skilled employees. Apprenticeship programs also reduce turnover rates, increase productivity and lower the cost of recruitment.

Customized training that meets industry standards, tailored to the specific needs of businesses, resulting in highly-skilled employees.

Increased knowledge transfer through on-the-job learning from an experienced mentor, combined with education courses to support work-based learning.
In Summary...

Apprenticeship provides:

- Enhanced employee retention: 91% of apprentices that complete an apprenticeship are still employed nine months later.
- A safer workplace that may reduce worker compensation costs, due to the program’s emphasis on safety training.
- A stable and reliable pipeline of qualified workers.
In Summary...

Apprenticeship provides:

A systematic approach to training that ensures employees are trained and certified to produce at the highest skill levels required for the occupation.

Finally, businesses may qualify for state-based tax credits available for apprenticeship program sponsors. Workforce systems and other community partners may also choose to contribute funding for training, supplies or other aspects of apprenticeship programs. These benefits reduce an employer’s investment in apprenticeship training costs.