



New Findings on Expanding Registered Apprenticeship Opportunities in the US to all Job Seekers and Employers *How did American Apprenticeship Initiative Apprentices and Employers Fare?*

WEBINAR

December 6, 2022



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Webinar Purpose



- Present registered apprenticeship as a promising workforce training opportunity for job seekers and employers
- Introduce newly released findings from the evaluation of the U.S. Department of Labor's (DOL) **American Apprenticeship Initiative (AAI)**
- Share links to evaluation reports and briefs

Webinar Topics



- What is registered apprenticeship? What is the American Apprenticeship Initiative (AAI)?
- Who participated in registered apprenticeship? Did AAI grantees reach traditionally underserved populations and employers in nontraditional industries?
- What are the benefits of apprenticeship for apprentices?
- What are the benefits of apprenticeship for employers?
- Q&A

Poll Question for Participants



QUESTION 1

What type of organization do you represent (best answer)?

- a. Employer that operates a registered apprenticeship program
- b. Employer interested in registered apprenticeship
- c. Community/technical college
- d. Research organization
- e. Other postsecondary institution
- f. Workforce agency/American Job Center
- g. Federal government
- h. State or local government
- i. Nonprofit workforce or human/social services provider
- j. Advocacy or policy organization
- k. Philanthropic
- l. Other



QUESTION 2

What one word comes to mind when you think of “apprenticeship”?

[Word cloud]

Meet the Presenters



Elizabeth Copson
Senior Associate
Abt Associates



Doug Walton
Associate
Abt Associates



Daniel Kuehn
Principal Research
Associate
Urban Institute



David Kaz
Principal Associate
Abt Associates

Meet the Presenters



Melissa Scibelli

*Director of Workforce
Development Programs
MassHire/Hampden
County WDB*



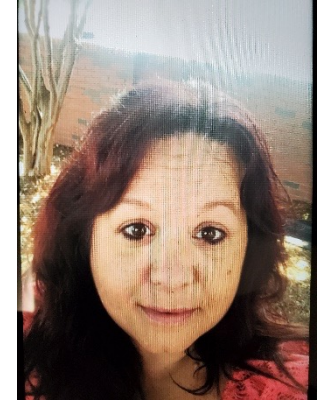
Diane Toia

*Senior Workforce
Planning Partner
Baystate Health*



Debby Hopkins

*Chief Workforce Officer
Shenandoah Valley WDB
(currently with Apptec)*



Christi Branch

*Training Coordinator
The Hershey
Company*



What is registered
apprenticeship?

What is the American
Apprenticeship Initiative?

What is Apprenticeship?



- Structured workplace programs that combine classroom-based technical instruction with on-the-job learning and mentoring
- Apprentices are hired by employers and earn progressively higher wages
- Provides training in a specific occupation; skills attained are recognized and transferable across employers
- Common training model in other countries; less than 0.5 percent of Americans participate in registered apprenticeship

What Makes an Apprenticeship Registered?

A **registered apprenticeship program** meets federal and state standards and is registered with DOL or with a DOL-approved state apprenticeship agency (SAA). Both the DOL Office of Apprenticeship and SAAs register programs after approving their standards, which provide detailed plans for:

- At least 2,000 hours of on-the-job Learning (OJL) under guidance of a mentor
- A recommended minimum of 144 hours of related technical instruction (RTI)
- An industry recognized credential
- Structured wage progression

The American Apprenticeship Initiative



- DOL funded 46 five-year grantees in 2015
- Grants aimed to expand registered apprenticeship:
 - Into sectors with few apprenticeships, such as healthcare, advanced manufacturing, and information technology (IT)
 - For populations underrepresented in apprenticeship
 - Includes women, people of color, people with disabilities, and veterans
- Grantees include state government agencies, workforce boards, community and technical colleges, sector-based organizations

The AAI Evaluation



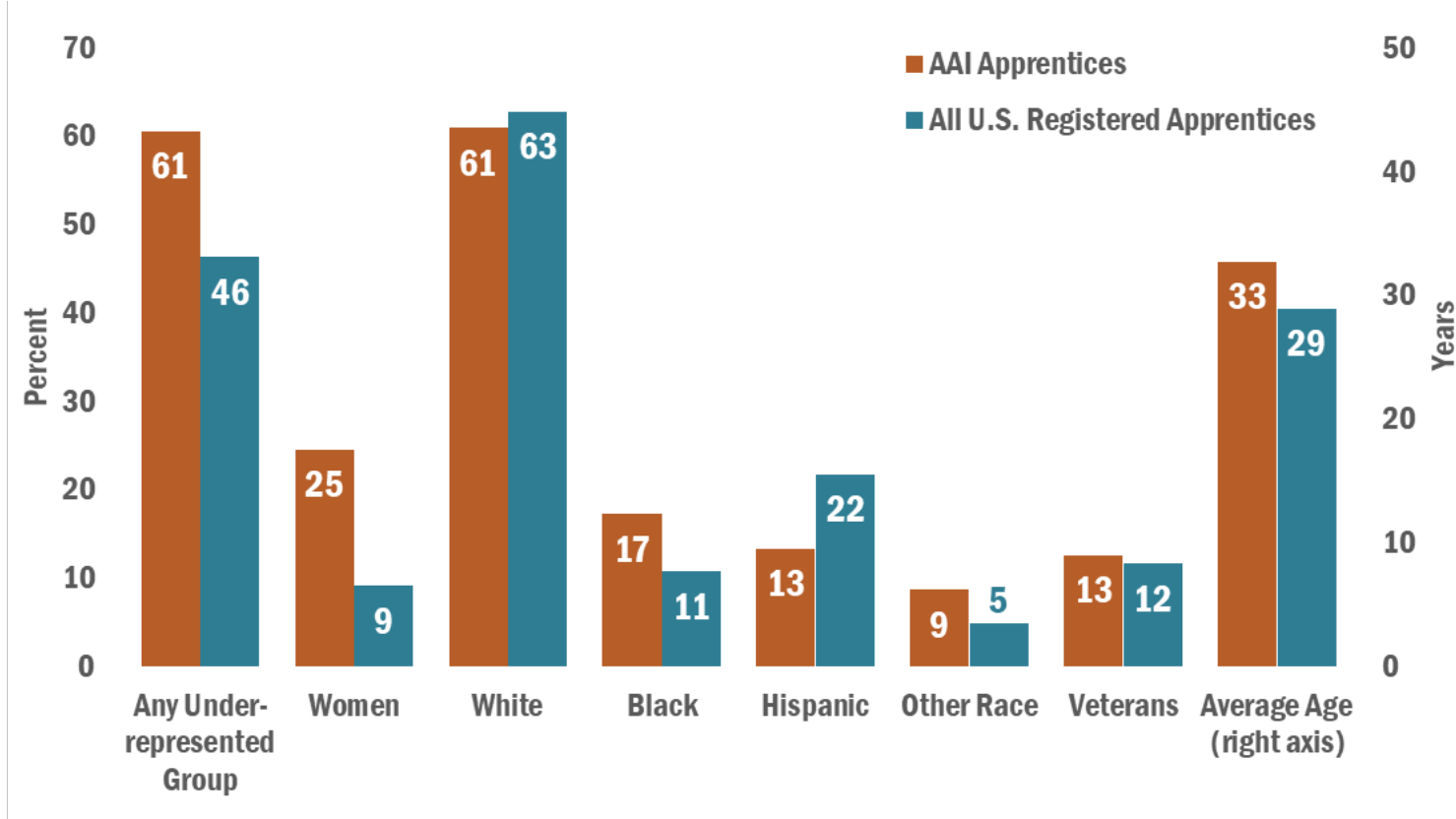
- Goal: To build evidence about the effectiveness of apprenticeship for participants and employers and lessons for developing and operating grants
- April 2016 – November 2022
- 45 grantees included
- Four sub studies
 - Implementation study
 - Apprentice outcomes study
 - Employer return on investment study
 - Employer engagement demonstration study



Who participated in registered apprenticeship (RA)?

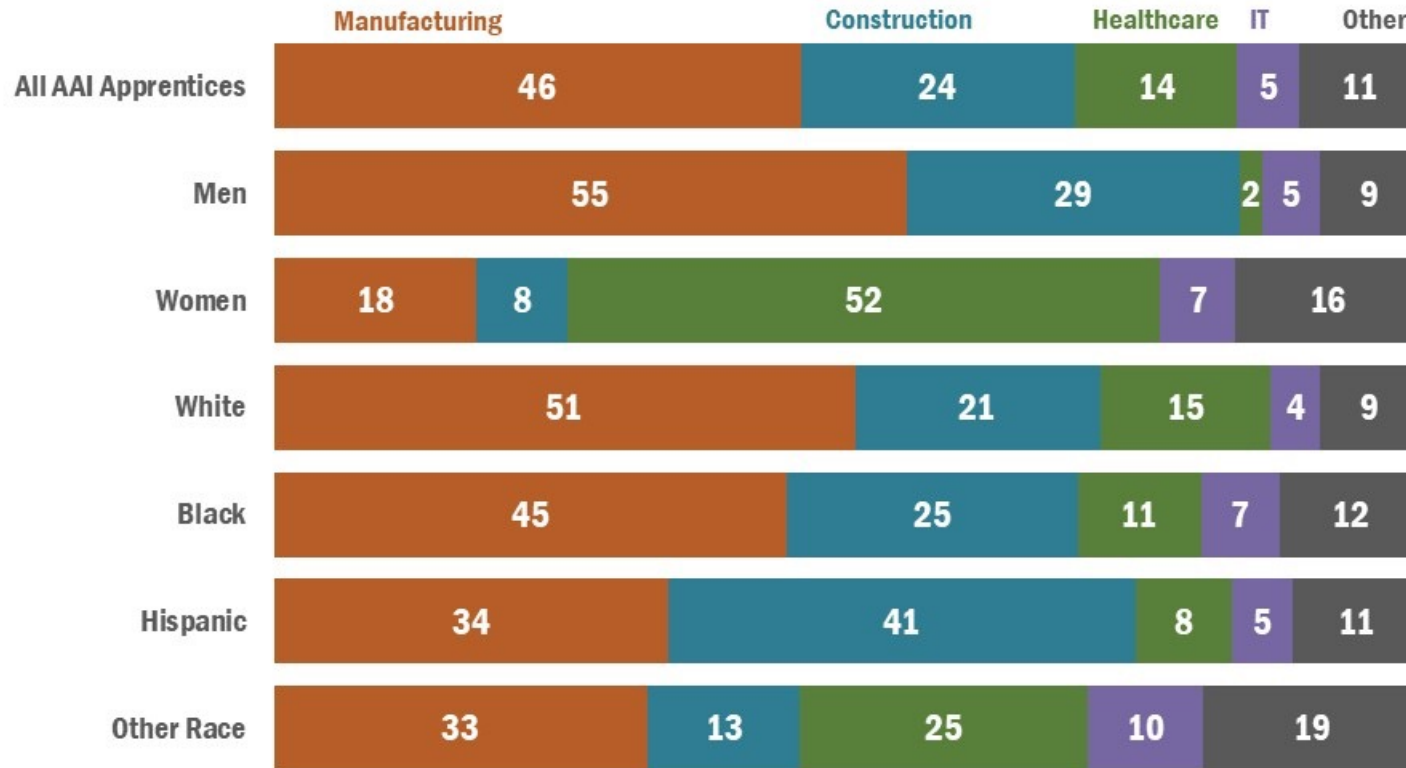
Did grantees reach underrepresented populations and employers in nontraditional industries?

AAI Grantees Successfully Registered Apprentices from Underrepresented Populations



Sources: AAI Apprenticeship Survey and Apprenticeship Quarterly Performance Report (QPR) (N=2,601); RAPIDS (N=220,556) 14

Most AAI Apprentices Enrolled in Nontraditional Occupations

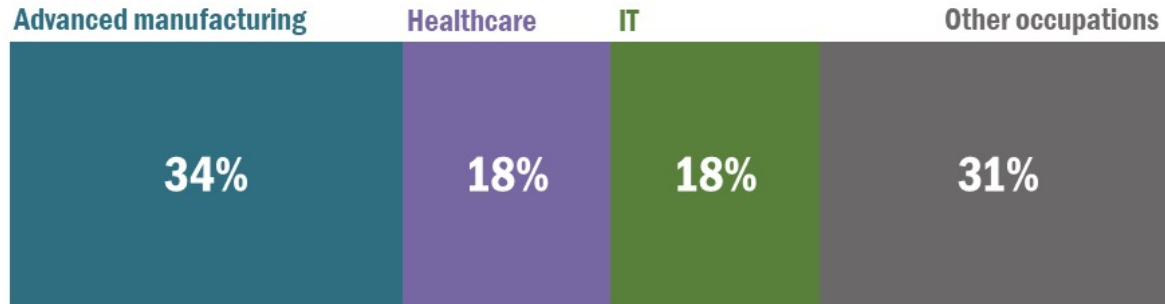


Sources: AAI Apprentice Survey and Apprenticeship Quarterly Performance Report (QPR). N=2,601.

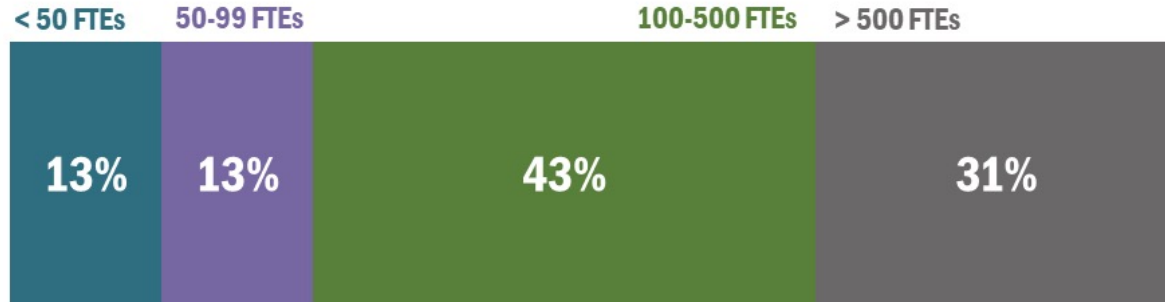
AAI Grantees Successfully Recruited Employers in Nontraditional Industries and of Varying Sizes



Occupation Distribution of Surveyed Employers



Surveyed Employers' FTE Employees



Grantees Reported Direct Employer Contact or a Personal Relationship as Helpful Outreach Strategies



MassHire Hampden County, an AAI subgrantee, successfully recruited employers using a **consultative sales approach**



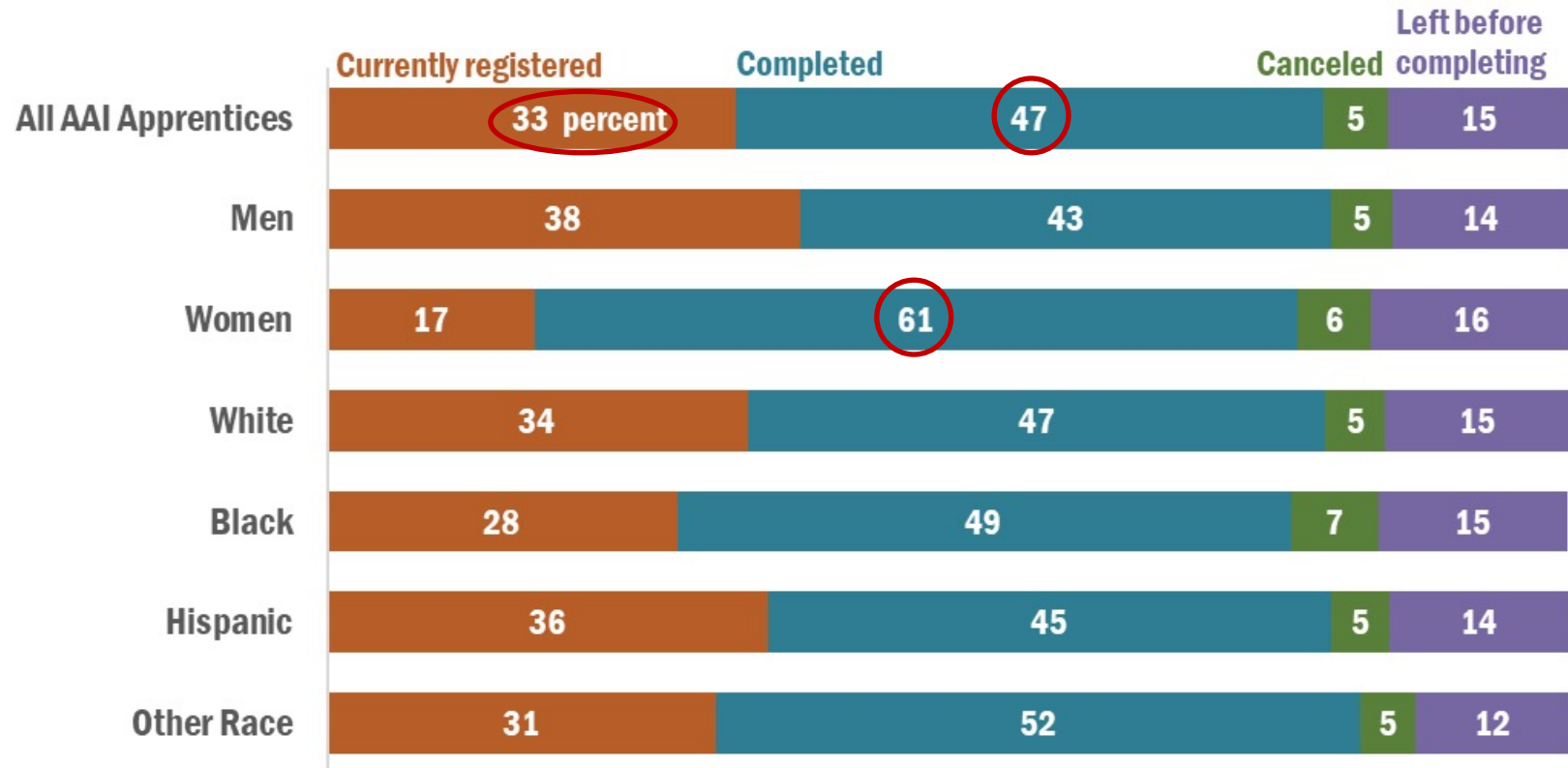
Panelist Discussion





What are the benefits of registered apprenticeship for apprentices?

About 80 Percent of Apprentices Completed Their Programs or Were Still Enrolled

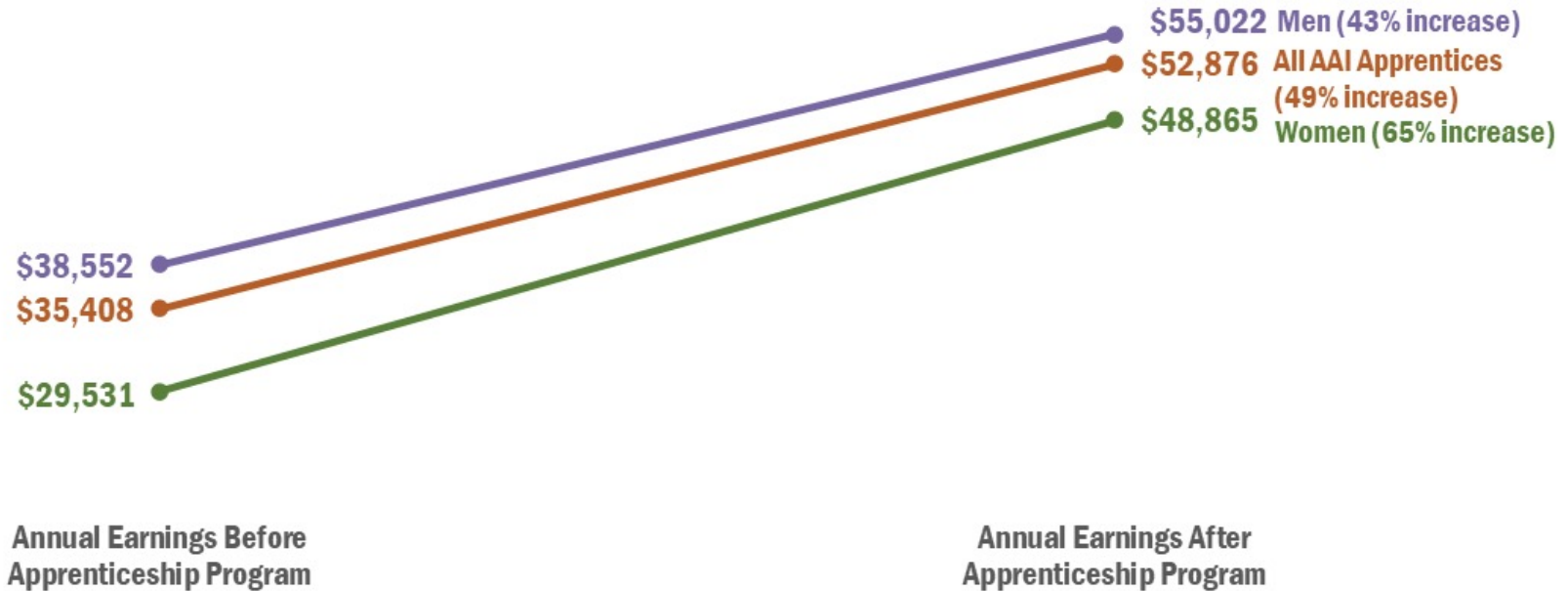


Source: AAI Apprentice Survey (completion status reported 2.7 years after start of program, on average). N=2,601. 20

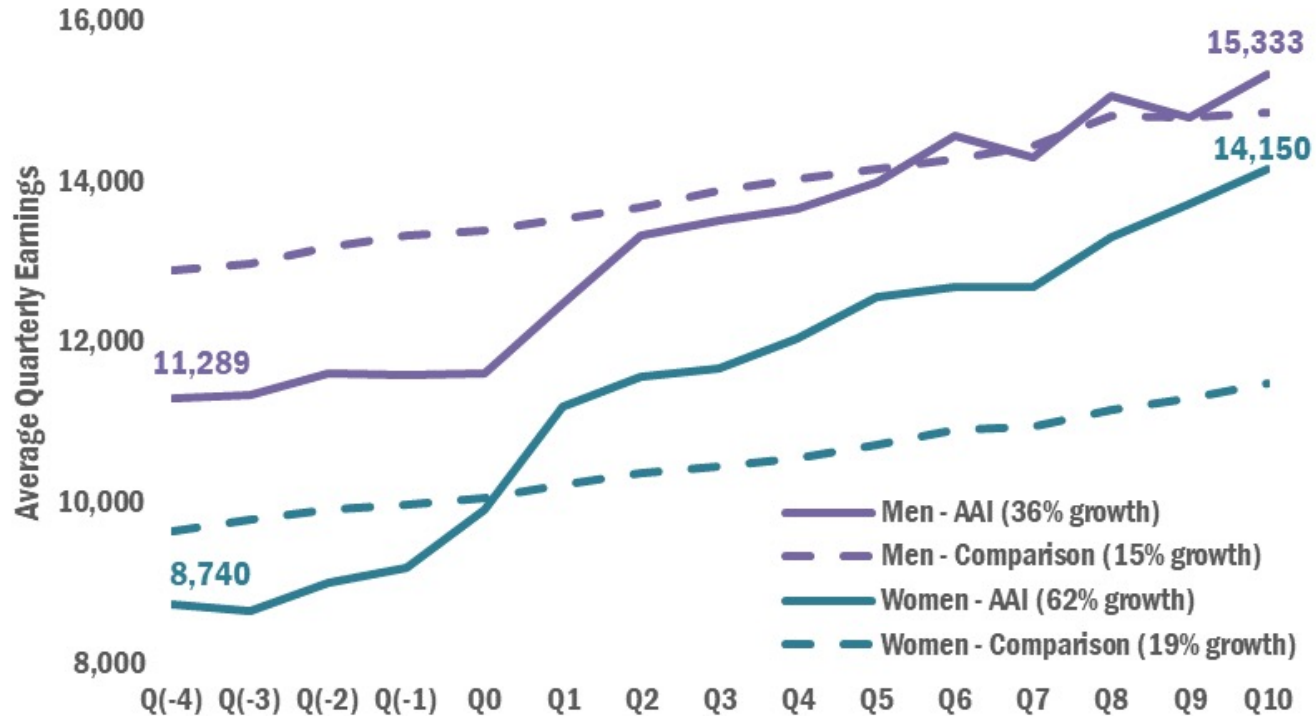
About Two-thirds of Apprentices Remained with the Same Employer after Completing Their Programs



Women Apprentices Experienced Greater Earnings Growth Than Men Apprentices

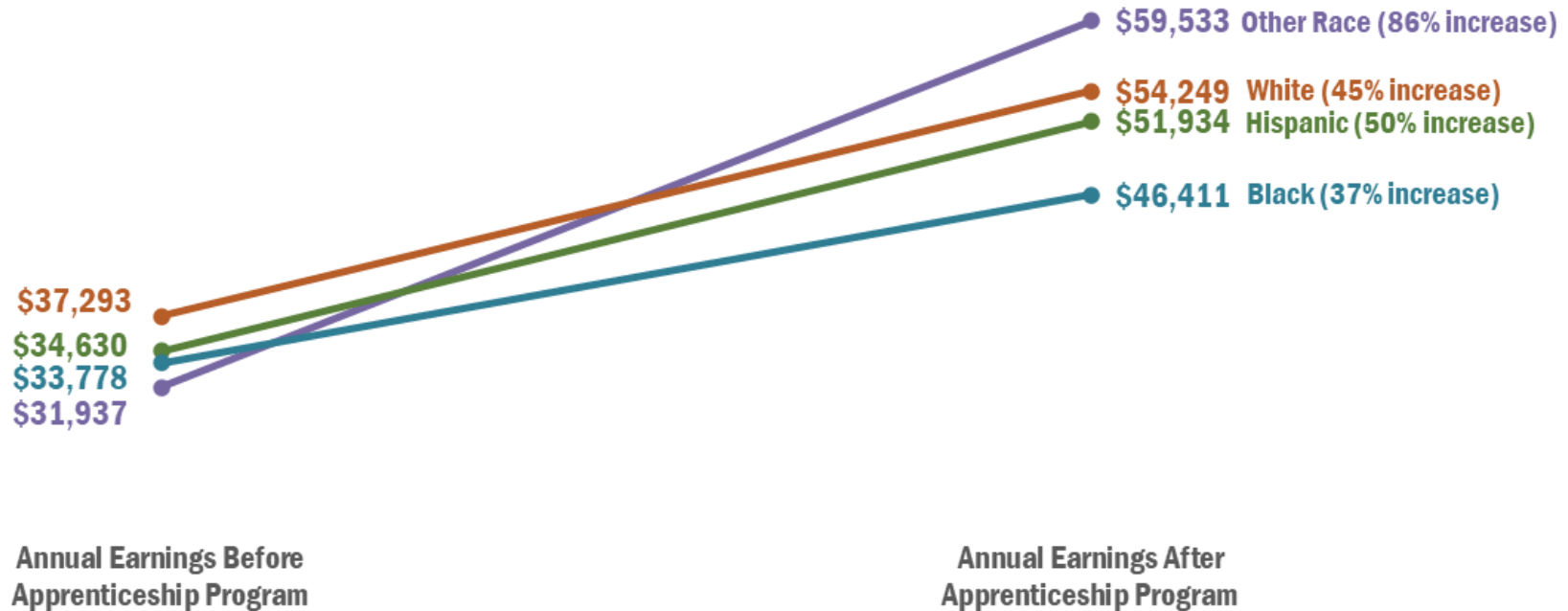


Both Women and Men AAI Apprentices Experienced Higher Earnings Growth Than Comparable Workers



Source: AAI Apprenticeship Quarterly Performance Reports matched to National Directory of New Hires (NDNH) data and Quarterly Workforce Indicators (QWI) data on workers with similar age, race, sex characteristics and state. N=2,419 men and N=1,312 women AAI apprentices.

All Racial and Ethnic Groups Experienced Earnings Growth, with Larger Increases for Hispanic & Other Race Apprentices



Earnings Growth was Highest for IT and Healthcare Occupations, Which Were More Common Among Women & Other Race Apprentices





What are the benefits of registered apprenticeship for employers?

AAI ROI Study Assessed the Costs and Benefits of a Cross-Section of AAI Employers



- Employer Survey completed by 68 employers of AAI apprentices
 - Costs measured: wages, RTI, reduced mentor productivity, supplies and wastage, program registration
 - Benefits measured: value of apprentice output during and after apprenticeship, reduced cost of hiring and filling skilled positions, 10 “indirect” benefits
- 2 out of 3 employers recouped their investments

The Largest Employer Cost was the Apprentice's Compensation

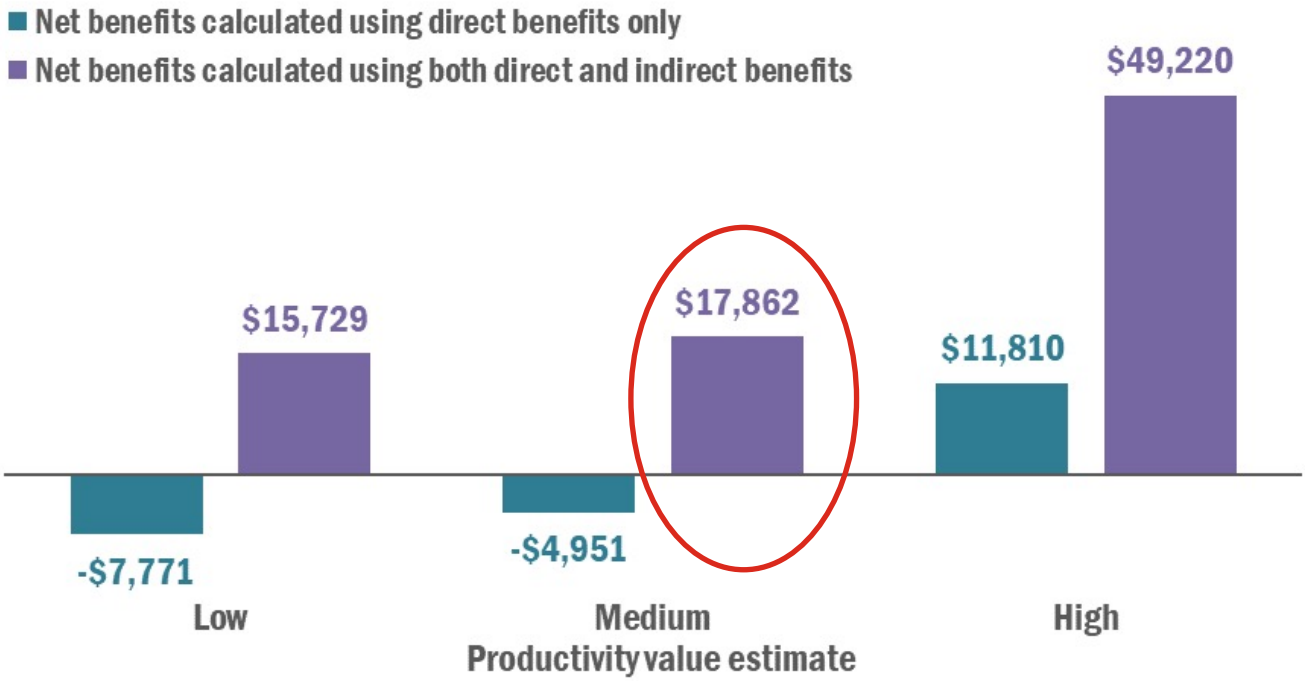


Cost	Mean	Median
Total apprentice compensation	\$87,369	\$52,530
Total RTI tuition and fee costs	\$4,488	\$1,100
Total mentor lost productivity costs	\$11,010	\$147
Per apprentice registration costs	\$1,217	\$240
Total supply and wastage costs	\$731	\$0

The Gross Value of Apprentices' Productivity Varied Widely; the Median During the Program was \$52,551

Productivity Valuation	Mean Gross Value of Productivity During Program	Median Gross Value of Productivity During Program	25 th Percentile	75 th Percentile
Low estimate of productivity value	\$81,875	\$49,011	\$32,013	\$392,084
Medium estimate of productivity value	\$95,091	\$52,551	\$36,396	\$105,555
High estimate of productivity value	\$116,440	\$71,458	\$46,810	\$162,771

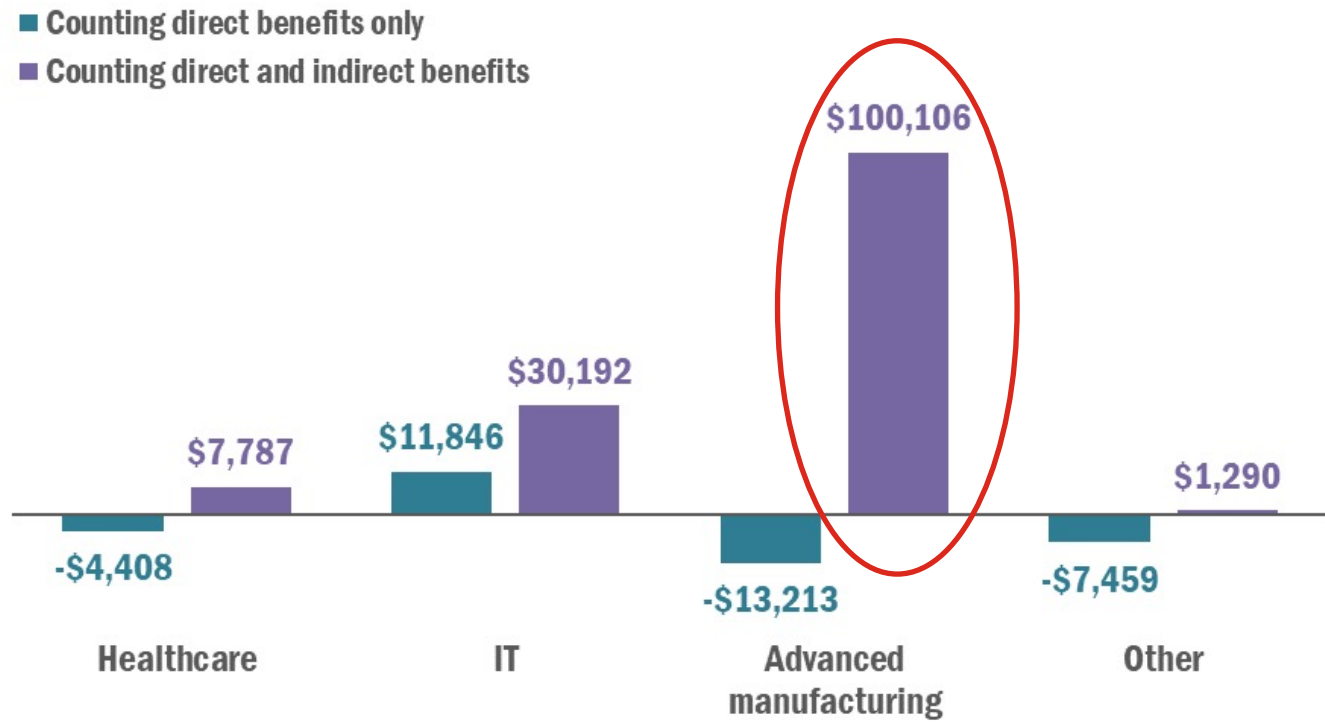
Median Net Benefits for the Full Period were \$17,862, Including Both Direct and Indirect Benefits



Source: AAI Employer Survey. N=68.

Note: Benefits and costs are in 2020 dollars and discounted at 3 percent per year.

Surveyed Employers with Advanced Manufacturing Programs had Median Net Benefits over \$100,000



Source: AAI Employer Survey. N=68.

Note: Benefits and costs are in 2020 dollars and discounted at 3 percent per year.

The Typical AAI Employer Experienced a 44% Return on Investment



- AAI employers' net benefits can also be expressed as a return on investment:

$$\text{ROI} = \frac{\text{Benefits} - \text{Costs}}{\text{Costs}}$$

- The median ROI of the apprentices' productivity was 44.3 percent, which means that every \$100 an employer invested in the registered apprenticeship program generated \$144.30 in total benefits

Panelist Discussion





Audience Q&A

Add your questions
in the chat box!



QUESTION 3

What specific topics related to apprenticeship do you want to learn more about that would make the biggest difference in your work?

[Word cloud]



Where can I find more information about these and other topics?

Resources



- **View** the AAI Evaluation Reports:
 - Abt Associates: [Do Apprenticeships Help Workers and Employers? | Abt Associates](#)
 - DOL Employment and Training Administration (ETA): [Registered Apprenticeship Evidence | U.S. Department of Labor \(dol.gov\)](#)
 - DOL Chief Evaluation Office (CEO): [American Apprenticeship Initiative \(AAI\) Evaluation](#)
- **Join** the [Abt mailing list](#) (get notified of upcoming webinar(s), reports, etc.)



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Thank you!

Contact:

David_Kaz@abtassoc.com

abtassociates.com

