



## **HR Decision Support Network**

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## INTRODUCTION

To many people, the word “apprentice” conjures up a mental image of a teenager in colonial days forging horseshoes in a blacksmith shop.

If pressed for a more modern picture, they may think of a construction worker in a hard hat laying brick at a building site.

They’d probably be surprised to learn that apprenticeships are on the rise in the U.S., and that they’re spreading to health care jobs and white collar office jobs.

“Historically, apprenticeship was more for construction trade jobs,” but “it’s a great idea for IT coding and health care,” Pam Howze, director of apprenticeships for the National Fund for Workforce Solutions, told Bloomberg BNA.

“Our skills gap in the U.S. is massive, and employers are seeing this as a very viable option to build our workforce.”

NFWS provides an apprenticeship employer readiness checklist to assist employers that have established apprenticeship programs. (See attached box)

The skills gap refers to the difference between the skills employers are seeking in job applicants and the skills they actually find. Almost half (45 percent) of small businesses reported they couldn’t find qualified applicants to fill job openings, the National Federation of Independent Business reported in early 2017.

Meanwhile, the amount of debt associated with educational loans, which more and more students are using as a way of financing college, is ballooning.

Forty percent of people aged 18 to 30 had an outstanding student loan in 2015, and student loan debt totaled more than \$1.3 trillion in June 2017, according to the Federal Reserve Bank.

Increasingly, apprenticeships are being promoted by workforce development professionals, politicians, academics, and businesses as a solution to the skills gap, low entry-level wage rates, and college debt.

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### **Apprenticeship Employer Readiness Checklist**

To successfully implement an apprenticeship program, an employer should be able to answer all of the following questions. Identifying how to develop diverse entities across a company—such as Human Resources, mentors, and funding—may determine a program’s success. Further, it is vital that the apprenticeship program meet not only the needs of the employer and future employees, but also the community. When analyzing of the skills gap within a company, it may be useful to determine the needs of the community and the local resources and partnerships that can help one get started to ensure prosperity for all.

- Is there a recruiting, screening and testing mechanism for new hires in place?
- Has the target audience for filling critical positions been identified (dislocated workers, high school or community college students, incumbent workers)?
- Have the knowledge, skills and abilities for critical positions been identified?
- Are there existing qualified and skilled mentors at your company?
- Have the mentors received any mentor training?
- Has a job task analysis or occupational job profile been completed?
- Is there a current workforce succession plan in place?
- Is there a sufficient training budget for related instruction for those hired to fill critical positions?
- Has a training provider been identified?
- Are there other organizations in the geographic area that are interested in collaborating (small businesses or similar sectors, K-12, community colleges, other training providers)?
- Are there state resources that could offset the costs of related instruction?
- Does the state offer a tax credit for apprenticeships?

**Source: National Fund for Workforce Solutions**

## CONCLUSION

The experiences of these four companies, and their intention to maintain or even increase their apprenticeship programs, indicate that apprenticeships are growing in popularity.

“Building your own workforce, training them the way you want them to be trained, is pretty phenomenal,” Howze said. “We know that it works.” One of the best ways to promote apprenticeships is to have employers that have apprenticeship programs tell other employers about their experience, she said.

Casey of CVS illustrates her point. An employer that is considering starting an apprenticeship program should “jump in,” he said.

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