

APPRENTICESHIP: AN INVESTMENT THAT DELIVERS!



Unfamiliarity with the apprenticeship model and concerns about up-front costs are some of the reasons why many American companies have not considered apprenticeship. However, apprenticeship, once understood, is proven to have a positive return on investment (ROI) while actively promoting diversity and inclusion in the workplace.

HOW DOES IT WORK?

Employers control how much an apprenticeship program costs; apprentice wages, training equipment, etc. *Other costs include*:

- One-time start-up costs to:
 - o Set requirements
 - Design the curriculum
 - Establish new processes
- Ongoing (Run) Costs:
 - o Learning and development initiatives
 - o Training / mentorship time from other employees
 - o Lower productivity during initial onboarding

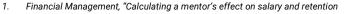
These costs can be shared by co-investing in a program with other businesses interested in training workers for the same skills.

WHAT'S IN IT FOR YOU?

- Salary Savings: Because apprentices are trained on the job, their base pay rates are 40-50% lower than a typical new hire. This difference is usually enough to offset program costs. Apprentice's salaries increase on a schedule determined by the employer as the apprentice demonstrates competencies and earns certifications and credentials.
- Tax Credits for companies that hire apprentices. See what your state offers: <u>apprenticeship.gov/employers/state-</u> <u>tax-credits.</u>
- State and Federal funding such as subsidies and grants for registered apprenticeship programs.
- Training resources and program assistance are available at no cost to registered apprenticeship programs.
- **Company-wide savings** Formal mentorship programs and other components of apprenticeship are shown to reduce overall turnover by more than 60%₁.

Higher productivity: 78% of employers see improved productivity after starting an apprenticeship program₂.

To learn more about apprenticeship programs for your business, visit TQAClark.com or Contact Us at techquest@clarku.edu



2. 6 GOV.UK Department for Education, "Apprenticeships evaluation . 2017: learners survey"

