

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:**
 - Set requirements
 - Design the curriculum
 - Establish new processes
- **Ongoing (Run) Costs:**
 - Learning and development initiatives
 - Training / mentorship time from other employees
 - 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: apprenticeship.gov/employers/state-tax-credits.
- **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**

Sources:

1. Financial Management, "Calculating a mentor's effect on salary and retention"
2. 6 GOV.UK Department for Education, "Apprenticeships evaluation . 2017: learners survey"