

WHY APPRENTICESHIP?

An Overview for Employers



For industries like tech, healthcare, and advanced manufacturing, demand for high-skilled workers has far outpaced the number of candidates. In recent years, more and more companies are turning to an employment model championed by other specialized, high-skilled trades: apprenticeship.

HERE'S WHY:

- 1 Build talent to fit your needs, not the other way around.** Apprenticeship is the most employer-driven form of workforce development. Instead of competing for candidates with hard-to-find skills, companies build a pipeline of talent to close the gaps themselves.
- 2 Tap into bigger, better candidate pools in your local market.** For in-demand tech skills, the candidate pool is small. Apprenticeship allows you to hire based on potential, not existing credentials. It's a great way to promote diversity and equity in your workforce.
- 3 Retain high-skilled employees.** Tech has the highest turnover rate of any industry, and 1/3 of employees in niche technology roles plan to leave their current job within the next year. By contrast, 89% of apprentices stay for at least 3 years after completing their program.¹
- 4 See greater return on investment (ROI).** \$1 spent on apprenticeship returns \$1.46 for the company, and most programs pay for themselves within an apprentice's first year.² These gains come through reduced turnover, increased productivity, tax breaks, and higher-quality work.

HOW DOES APPRENTICESHIP WORK?

- Identify talent gap and design program**
Tech Quest Apprenticeship works with companies to identify specific skill gaps and create program(s) to develop talent. With flexible program designs, employers can choose a model that works best for them.
- Employees start learning on the job**
Apprentices are paid employees who start contributing on Day 1. Employers provide on-the-job training and mentorship to teach them the specifics of the business and day-to-day work
- Job-related classroom training builds additional skills and credentials**
Employees attend academic or technical classes (in-person or virtually) and earn nationally-recognized credentials.
- Business sees greater retention, innovation, and ROI**
After completing a one- or multi-year program, these highly-skilled, high-performing employees have a 94% retention rate.³ Businesses see both immediate and long term ROIs.

Tech Quest Apprenticeship is a nonpartisan, federally-sponsored effort to help American businesses close gaps in their workforce through apprenticeship programs. We offer support, guidance, and financial incentives to help you get started.



Visit TQAClark.com or guilfordworks.org to learn more.



HOW IS THIS DIFFERENT?

Most employers already offer all the ingredients of apprenticeship: training, mentorship, performance management, and professional development. By registering a formal apprenticeship program through Tech Quest Apprenticeship, businesses can unlock benefits such as:

- ✓ Access to experts who will help assess your needs, build a tailored program, and provide support at no cost to you
- ✓ Access to funding such as tax credits, employee tuition, and wage reimbursement⁴
- ✓ Employees receive industry-recognized credentials and high-quality academic instruction customized to your needs as an employer
- ✓ Recruitment support and access to a network of great candidates who are eager for a tech apprenticeship
- ✓ Maximize return on investment and retention through Tech Quest Apprenticeship's technical assistance, technology solutions, resources and support

“For virtually any occupation that can be learned with hands-on training, apprenticeship is, frankly, a much better, more cost-effective model than traditional ‘theory-only’ college-type learning. The structured, competency-based assessments provide for a known level of skill. I appreciate the value of a good apprenticeship – my business currently has 7 apprentices and at least 8 graduates. It’s a winning model.”

- Roy Sweatman,
President, Southern Manufacturing Technologies, Inc.

THE OLD WAY: RECRUIT FOR HARD-TO-FILL POSITIONS



APPRENTICESHIP: BUILD THE WORKFORCE YOU NEED



HOW DO I GET STARTED?

Tech Quest Apprenticeship can help you understand options and assess whether apprenticeship is the right fit for your business. Consider:

- Do we have unfilled IT and IT-related positions? What’s our vacancy rate for in-demand positions?
- How much does turnover and recruitment cost us every year? Could we be investing that in our employees and our business instead?
- Do we rely on visas to bring in candidates from overseas, when there are available workers in our area that are eager to join our industry?
- Could we recruit from within, finding great employees that just need to build their skillsets?
- Is our workforce as diverse and innovative as we want it to be? What’s our strategy to improve?

To learn more about the benefits for your business, visit TQAClark.com or guilfordworkd.org.

The Tech Quest Apprenticeship program is an equal opportunity employer/program.

Sources

¹Sources: LinkedIn Talent Blog, “These 3 Industries Have the Highest Talent Turnover Rates”; Nelson Frank Salary Survey; Utah Department of Workforce Services, *Apprenticeships*, jobs.utah.gov/apprenticeship/apprentiroi.

²W.E. Upjohn Institute for Employment Research, a “Net Impact and Benefit-Cost Estimates of the Workforce Development System in Washington State.”
³US Department of Labor

⁴Tax credits and reimbursements vary by state or region. Contact your local workforce development board for more information.