

### **NYSDOL Apprenticeship Update**

#### April 3, 2018

### 2017: The Year in Review



#### 2017: The Year in Review – Apprenticeship Data

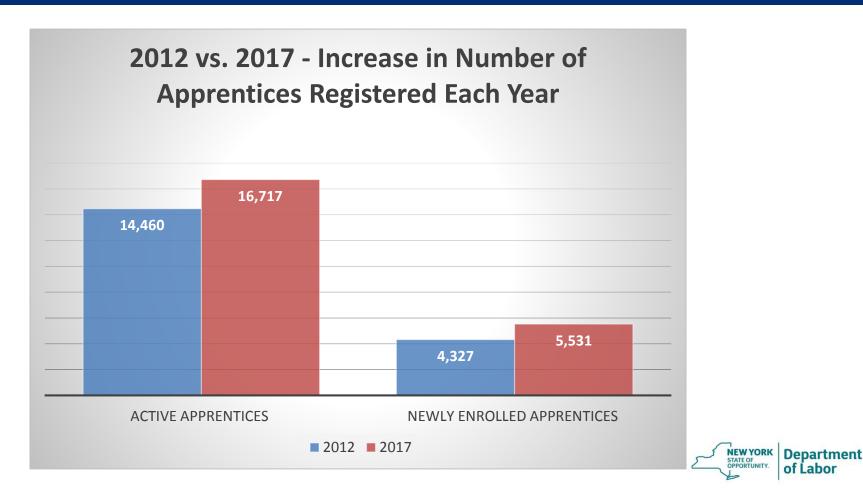
#### As of December 31, 2017:

- 517 sponsors
- 746 programs
- 16,717 active apprentices
- 2,200 Certificates of Completion issued in 2017
- 2 formal deregistrations in 2017

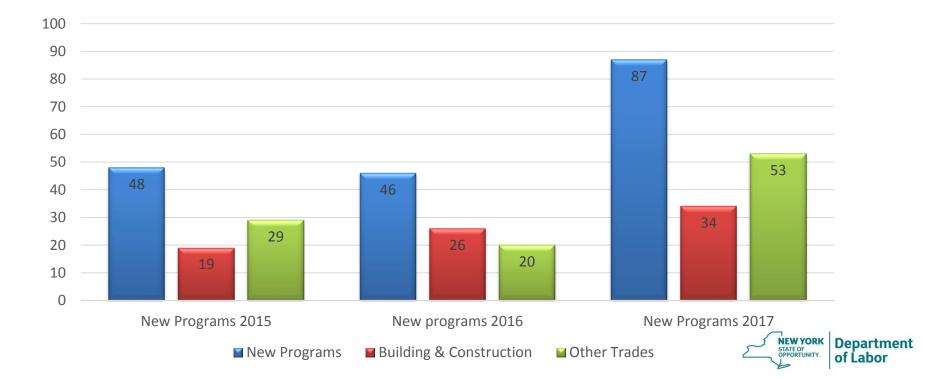
#### As of April 1, 2018 :

- 518 sponsors
- 754 programs
- 17,197 active apprentices





#### **Increase in New Programs Over the Last Three Years**



# **Apprenticeship Expansion**



### **Apprenticeship Expansion**

Apprenticeship Expansion Grant (AEG) Request for Applications (RFA)

- \$4.1 million in funding available
- Goal is to expand RA
- 800 new apprentices
- Apprentices to enter into trades in high-demand occupations
- Funding will cover costs associated with training apprentices through RA
- https://www.labor.ny.gov/businessservices/funding.shtm



### **Apprenticeship Expansion**

#### **Empire State Apprenticeship Tax Credit Program (ESATC)**

- For NYS RA sponsors or signatories
- Tax credit for apprentices employed full-time for at least six months
- Enhanced tax credits
  - Disadvantaged youth
  - Apprentices with a mentor
- Focus on demand occupations
- <u>https://www.labor.ny.gov/apprenticeship/empire-state-tax-credit.shtm</u>





E-mail the following information to your ATR and cc: the Field Supervisor:

- Request to conduct recruitment including dates of recruitment
- Sponsor name and trade
- If there are NO changes since last recruitment, specify that in e-mail
- If there ARE changes, <u>only include the changes</u> in e-mail (the Apprentice Training Recruitment Notification and Minimum Qualifications (AT-505 form) must reflect these changes)
- Name and title of representative sending the request



- The Selection Standards and Evaluations (AT-508 form) is not required with recruitment requests, unless it is being amended at the time of recruitment.
- All minimum requirements need to be included on the Apprentice Training Recruitment Notification and Minimum Qualifications (AT-505 form). No other documentation should be submitted unless using a new test.



Field Supervisors by Region

Nicholas.Hanslowe@labor.ny.gov – Greater Capital Region, Central Region & Upper Hudson Valley

Carolyn.Robinson@labor.ny.gov – NYC, Long Island and Lower Hudson Valley

<u>Steve.DeRenzo@labor.ny.gov</u> – Western Region



#### **New SED Contact**

Valerie Cosgrove Associate in Continuing Education New York State Education Department Adult Career and Continuing Education Services- AEPP 89 Washington Ave, 460 EBA Albany, New York 12234 Phone: (518) 473-1211 Valerie.cosgrove@nysed.gov http://www.acces.nysed.gov/aepp



### Return on Investment (ROI) Tool for Data-Informed Decision Making



# **The Study**

- 13 Businesses studied
- 2 main questions:
  - 1. Why did you create apprenticeships?
  - 2. What are the main costs & benefits associated with your program?



### Apprenticeship is a Business Investment

- There are currently 6.1 million job openings posted in our country
- It would be easier to fill these positions if companies were more aware of apprenticeships



# **3 Metrics for Studying Benefits**

- Production: Companies gain the value of output by apprentices and later by apprentice graduates, plus a reduction in errors
- Workforce: Companies experience reduced turnover and improved recruitment, gain a pipeline of skilled employees, and develop future managers
- **Soft Skills:** Apprenticeships lead to improved employee engagement, greater problem-solving ability, flexibility to perform a variety of tasks, and a reduced need for supervision.



# **Apprenticeship Benefits**

- The payoff for workers is clear
- The payoff for *businesses* is less well known

   ROI Tools help calculate the costs and benefits of apprenticeship programs for businesses more precisely



# **Apprenticeship Benefits**

#### Production

- Output during the apprenticeship at a reduced wage
- Higher post-apprenticeship productivity relative to similarly tenured employees
- Reduction in mistakes or errors

#### Workforce

- Reduced turnover
- · Pipeline of skilled employees
- Better matching of employee skills and character with employer needs and firm culture
- Lower recruiting costs
- Development of future managers

#### Soft Skills

- Employee engagement and loyalty
- Greater problem-solving ability and adaptability
- Reduced need for supervision



# **Apprenticeship Costs**

#### Fixed Costs

- · Curriculum development
- Equipment purchases
- · Staff time spent on setup
- · Overhead and management
- Classroom space
- Recruitment

#### Variable Costs

- · Wages and benefits of apprentices
- Mentor time
- Supplies and uniforms
- · Tuition, books, and classroom materials



### Calculator

- The US Department of Commerce released an ROI calculator to help businesses understand the benefits of apprenticeship
- Link: <u>http://www.esa.gov/content/new-tool-help-firms-calculate-their-return-investment-apprenticeship</u>



# What ROI Calculators Offer

# How to Determine ROI How to Increase ROI



# How to Determine ROI

- 1. Determine Costs
- 2. Determine Benefits
- 3. Find Company Data
- 4. Consider Related Environmental Factors
- 5. Analyze Data
- 6. Make Strategic Improvements Based on Data



### How to Increase ROI

1. Take advantage of digital tech to make skills training available anytime/anywhere

- 2. Collaborate with educational institutions to upskill current employees and build pipeline of future skilled workers
- 3. Build standardized skill sets using certification programs
- 4. Utilize apprenticeships to build highly skilled workforce
- 5. Expand candidate pool by hiring for potential rather than "perfect fit



# Bottom Line: Apprenticeship is Good for Business!

- Apprenticeship:
  - Helps recruit and develop a highly skilled workforce
  - Improves productivity
  - Provides tax credits
  - Reduces turnover costs and increases employee retention
  - Creates industry-driven and flexible training solutions to meet local and national needs

# **Questions?**

