

# WHY APPRENTICESHIP?

An Overview for Employers



For industries like broadband, renewable energy, and transportation, 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.  
**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.<sup>1</sup>
- 3 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.<sup>2</sup> These gains come through reduced turnover, increased productivity, tax breaks, and higher-quality work.
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## HOW DOES APPRENTICESHIP WORK?

- Identify talent gap and design program**  
TechBuild 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.<sup>3</sup> Businesses see both immediate and long term ROIs.

TechBuild is an equal opportunity program fully supported by the U.S. Department of Labor Employment and Training Administration (ETA) as part of an award totaling \$5.75 million with \$5 million (85 percent) funded by DOLETA and \$750,000 (15 percent) funded by non-governmental sources.



Visit [TechBuildClark.com](https://TechBuildClark.com) to learn more.

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## 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 TechBuild, 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 reimbursement<sup>4</sup>
- ✓ 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 TechBuild's technical assistance, technology solutions, resources and support

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Registered Apprenticeship effectively builds talent as 90% of IBM's apprenticeship graduates are now full-time employees. ”

- IBM

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



### APPRENTICESHIP: BUILD THE WORKFORCE YOU NEED



## HOW DO I GET STARTED?

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

- Do we have unfilled IT, professional, scientific, and technical service 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 innovative as we want it to be? What's our strategy to improve?

To learn more about the benefits for your business, go to [TechBuildClark.com](https://TechBuildClark.com)

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#### Sources

<sup>1</sup>Sources: 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](https://jobs.utah.gov/apprenticeship/apprentiroi).

<sup>2</sup>W.E. Upjohn Institute for Employment Research, a "Net Impact and Benefit-Cost Estimates of the Workforce Development System in Washington State."

<sup>3</sup>US Department of Labor

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