

Making ApprenticeshipUSA Work for the Public Workforce System:

PERFORMANCE OUTCOMES

Registered Apprenticeship is an employer-driven model that combines on-the-job training with job-related instruction. Apprenticeship is a “learn while you earn” model – apprentices receive a paycheck from the first day and progressive increases in wages as their skills advance. Apprenticeship offers an industry-proven approach in preparing workers for jobs while meeting business needs for a highly-skilled workforce.

ApprenticeshipUSA is one of the most effective strategies for engaging employers and increasing performance outcomes for the public workforce system. Apprenticeship helps workers get jobs, keep jobs, and increase their skills and earnings. Because it is a job, apprenticeship programs can help state and local areas meet their core performance outcome goals.

- ✓ **Employment:** Apprenticeship is a job from day one, so participants are employed when they begin an apprenticeship program.
- ✓ **Retention:** Apprenticeship completers have high retention rates – 91% of apprenticeship graduates retain employment.
- ✓ **Earnings:** The average starting apprentice wage is \$15.00 an hour. Graduates earn an average of \$50,000 a year.
- ✓ **Credential Attainment:** All apprenticeship completers earn a national, industry-recognized credential from the U.S. Department of Labor. This credential is often in addition to an industry credential or state license.

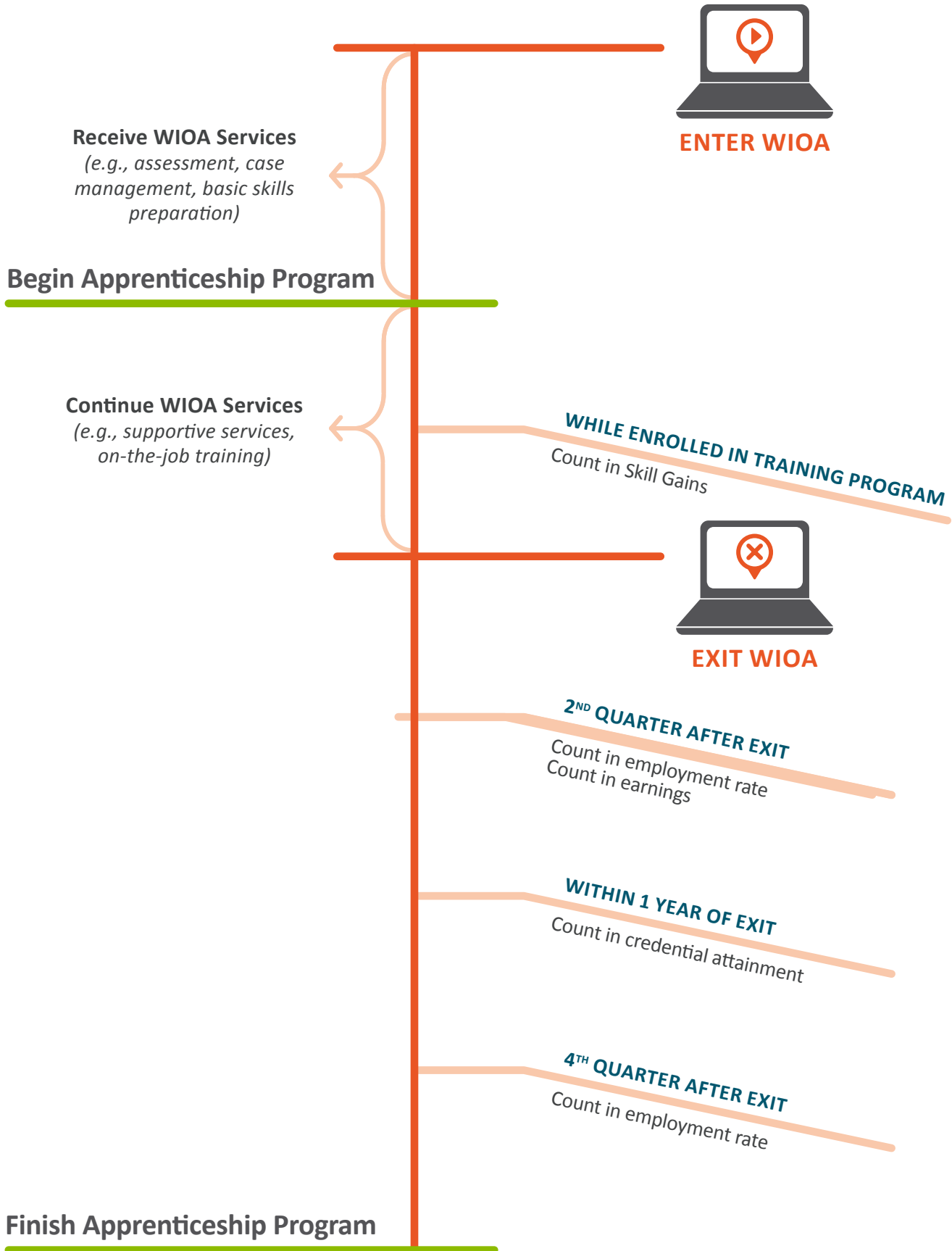
The Workforce Innovation and Opportunity Act (WIOA) continues the strong focus started under the Workforce Investment Act (WIA) on achieving outcomes for workers and employers. Apprenticeship can help the workforce system achieve quality performance outcomes. This quick reference guide is a resource to help local workforce professionals understand how apprenticeship can positively impact performance measures.

Performance Indicators: Adult and Dislocated Worker Programs

Use the table below to understand how Registered Apprenticeship can contribute to positive outcomes for each of the WIA and WIOA performance indicators for the Adult and Dislocated Worker programs.

CATEGORY	IMPACT OF APPRENTICESHIP	WIA MEASURE	WIOA INDICATOR ¹
EMPLOYMENT	An apprenticeship is a job – participants are employed at the beginning of the training. Under WIOA, this means that all participants (including incumbent workers) in apprenticeship programs are counted positively in this measure, as long as they remain in the apprenticeship following exit from WIA/WIOA until the quarter of measurement.	<u>Entered Employment:</u> Employed in the 1st quarter after exit	<u>Employment Rate:</u> Employed in the 2nd quarter after exit
EMPLOYMENT RETENTION	Since apprenticeship programs range between one and six years, many programs last longer than the time that a participant will be enrolled in WIA/WIOA. This is not a barrier to positive outcomes. Since apprentices are employed, if participants continue in the apprenticeship after exiting WIA/WIOA until the quarter of measurement, then they will count positively in this measure. If they have completed the apprenticeship program by the quarter of measurement, the likelihood of meeting this measure is also very high – 91% of apprenticeship graduates retain employment.	<u>Employment Retention:</u> Employed in the 2nd and 3rd quarters after exit	<u>Employment Rate:</u> Employed in the 4th quarter after exit
EARNINGS	Apprentices start at a good wage, and then receive increases in wages as their skills and knowledge increase. Therefore, the earnings of apprentices are likely to be high because they receive incremental increases in wages throughout their training.	<u>Average Earnings:</u> Earnings in the 2nd and 3rd quarters after exit	<u>Median Earnings:</u> Earnings in the 2nd quarter after exit
CREDENTIAL ATTAINMENT	By definition, graduates from Registered Apprenticeship programs receive a credential issued by either the U.S. Department of Labor or a federally-recognized State Apprenticeship Agency. This national occupational credential, referred to as a certificate of completion, is a recognized credential under WIOA for this measure.	Not a measure under WIA	<u>Credential Attainment:</u> Credential attainment during program participation or within 1 year after exit
SKILL GAINS	The foundation of the apprenticeship model is that apprentices progressively increase their skills and competencies throughout the program. While the U.S. Department of Labor has not yet established the exact definition, this new WIOA interim indicator will generally be a measure of interim progress of participants in an education or training program (including Registered Apprenticeship programs).	Not a measure under WIA	<u>Skill Gains:</u> Achieve measurable skill gains while enrolled in training and education programs

¹ Information on WIOA performance indicators is based on statutory language and the U.S. Departments of Labor and Education Notice of Proposed Rulemaking released on April 16, 2015.



Performance Indicators: Youth Program

Use the table below to understand how Registered Apprenticeship can contribute to positive outcomes for each of the WIA and WIOA performance indicators for the Youth program.

CATEGORY	IMPACT OF APPRENTICESHIP	WIA MEASURE	WIOA INDICATOR ¹
EMPLOYMENT & EDUCATION (2ND QUARTER)	This indicator measures whether youth participants are in employment or education and training programs. Since an apprenticeship is a job, participants are employed from the first day. Apprenticeship programs are also considered education and training. On both counts, as long as participants remain in the apprenticeship following exit from WIA/WIOA until the quarter of measurement, they will meet this indicator.	<u>Entered Employment:</u> Employed in the 1st quarter after exit	<u>Placement in Employment or Education:</u> Measured in 2nd quarter after exit
EMPLOYMENT & EDUCATION (4TH QUARTER)	Similar to the performance indicator above, apprenticeship will also yield positive outcomes for this indicator. Apprenticeships last one to six years, often longer than participation in WIA/WIOA. Since apprentices are employed, and apprenticeships are education/training programs, if participants continue in the apprenticeship after exiting WIA/WIOA until the quarter of measurement, then they will count positively. If they graduate from the apprenticeship program before the quarter of measurement, the likelihood of meeting this measure is also very high – 91% of apprentices retain employment after their programs.	Not a measure under WIA	<u>Placement in Employment or Education:</u> Measured in 4th quarter after exit
EARNINGS	Apprentices start at a good wage, and receive incremental increases in wages as their skills and knowledge increase. Therefore, the wages of an apprentice who has continued in the apprenticeship program through the quarter of measurement is likely to be high.	Not a measure under WIA	<u>Median Earnings:</u> Earnings in the 2nd quarter after exit
CREDENTIAL ATTAINMENT	The national credential received by graduates of Registered Apprenticeship programs, referred to as a certificate of completion, is recognized under WIOA as a credential for this measure.	<u>Attainment of a Degree or Certificate:</u> Measured in the 3rd quarter after exit	<u>Credential Attainment:</u> Attainment during program participation or within 1 year after exit
SKILL GAINS	While the U.S. Department of Labor has not yet established the exact definition, this new WIOA indicator will generally be a measure of interim progress of youth participants in an education or training program (including Registered Apprenticeship programs). Since the foundation of the apprenticeship model is that	Not a measure under WIA	<u>Skill Gains:</u> <u>Attainment:</u> Achieve measurable skill gains while enrolled in training and education programs

CATEGORY	IMPACT OF APPRENTICESHIP	WIA MEASURE	WIOA INDICATOR ¹
	apprentices progressively increase their skills and competencies, apprentices will be well-positioned to count positively in this new indicator.		
LITERACY & NUMERACY GAINS	This WIA measure assessed the increases in literacy and numeracy of youth participants, but will not be a performance indicator under WIOA.	<u>Literacy/ Numeracy Gains</u> : Educational increases in first year of program	Not a measure under WIOA

¹ Information on WIOA performance indicators is based on statutory language and the U.S. Departments of Labor and Education Notice of Proposed Rulemaking released on April 16, 2015.

EMPLOYER MEASURE

In addition to the indicators outlined above, WIOA establishes a sixth primary indicator that will measure the effectiveness of services to employers. Registered Apprenticeship is a proven model for employers to recruit, train, and retain highly-skilled workers. Apprenticeship also helps businesses with their bottom line – increasing productivity, lowering turnover and recruitment costs, and increasing workplace safety. A survey of businesses with apprenticeship programs found that 97% would recommend apprenticeship to others.

The new WIOA employer indicator has not yet been defined by the U.S. Department of Labor. However, given the significant benefits of apprenticeship for businesses, workforce systems that use apprenticeship programs as part of their employment and training strategies will be well-positioned to effectively serve the employer community.

PROGRAM EXIT

As any workforce professional knows, the point of program exit is a key factor in the calculation of performance outcomes. For most training services, participants complete their training and then exit the WIA/WIOA program. Apprenticeships, however, range from one to six years. In many cases, participants will still be completing their apprenticeship programs after they exit from WIA/WIOA.

The length of apprenticeship programs is not a barrier to positive outcomes under the performance measures. However, it does require state and local workforce systems to determine an appropriate approach to exiting participants in apprenticeship programs that adheres to WIA/WIOA regulations, provides quality employees for businesses, and ensures increased skill sets for workers.

The point of exit should be based on when the participant is successfully moving through the apprenticeship program and does not need any additional supportive or training services through WIA/WIOA. The following are two factors to consider when determining an appropriate exit policy.

- **Wage Increases.** Apprentices receive progressive increases in pay as their skills and knowledge increase – this is a core element of all apprenticeships. A wage increase may be an appropriate point of exit from WIA/WIOA, as it means that apprentices have passed a milestone in their training, improved their skills, and increased their earnings – signaling that support through WIA/WIOA is no longer needed.

- **Credential Attainment.** Many apprenticeship programs offer interim occupational credentials that can be attained by apprentices during their program. The attainment of a credential is another aspect that could be considered in determining an appropriate exit point from WIA/WIOA, given that this marks an important milestone in the apprenticeship. Attainment of a credential signals that the apprentice has successfully advanced along a career pathway and increased their skills in the field, and potentially moved beyond the point of needing WIA/WIOA support.

For more information on Registered Apprenticeship programs and how the workforce system can use apprenticeship as an effective workforce strategy, visit the ApprenticeshipUSA toolkit at www.dol.gov/apprenticeship/toolkit/index.htm.

Note on On-the-Job Training (OJT): OJT contracts with employers with apprenticeships are a common way for the public workforce system to support participants in apprenticeship programs. In such a case, workforce professionals would adhere to the maximum length for OJT reimbursement allowed under WIOA and state/local policies and close OJT service accordingly at completion of OJT – even if the total length of the apprenticeship program extends beyond the length of the reimbursement timeframe of OJT.