



### **Background**

The SETC Apprenticeship Committee first met back on January 15<sup>th</sup>, 2019 – and – worked to create the following:

### **Working Mission Statement:**

The Apprenticeship Committee was created to review, **(then) coordinate** current policies and practices relating to the US-DOL Registered Apprenticeship Model for Education and Training. The Committee resides within the State Employment & Training Commission (NJ-SETC) and is jointly staffed with the NJ Department of Labor and Workforce Development, Office of Apprenticeship.

### **Working Vision:**

The Apprenticeship Committee will...

- Develop
- Expand
- Support
- Validate
- Coordinate

Policies and Practices that create a better understanding of the US-DOL Registered Apprenticeship Model to:

- Expand Occupational Offerings within ‘demand’ Industries
- Engage w/ Employers to develop & incentivize a realistic approach
- Expand relationships w/ (both) CTE, & Comprehensive High Schools
- Ensure Repeatable Structure exists between Industry Sectors (Best Practices)
- Support Career Pathways that provide for growth on all levels for the individual (including financially)
- Strengthen partnerships w/ Higher Education to progress a model that includes:
  - College Credits for Skills Training during Apprenticeships
  - Experiential Learning based on past (formal) Skills Improvements
  - Stackable Credentials that applies to County College 4-Year School

### **Goals (6-months):**

- a. Engage & Convene Core Team
- b. Create Mission & Vision Statements
- c. Develop Initial Sub-Committee thoughts – Review & Select Members
- d. Engage & Convene Full Committee
- e. Initiate Industry Working Groups – Select Group Leads
- f. Initial Committee Review – make changes
- g. Priorities:
  - i. Create and Populate a Needs Assessment for each Sector
  - ii. Review current active programs in each Sector

- iii. Align efforts w/ the Industry Valued Credential List
- iv. Ensure consistency in:
  - 1. Approach
  - 2. Language
  - 3. Procedural Materials
  - 4. Marketing

**Goals (1-year):**

- a. Provide Best Practices Report
- b. Schedule, Plan & Hold Apprenticeship Summit (2020) – Focus on Industry
- c. Review Current NJ-DOL Apprenticeship Programs
- d. Coordinate Registered Apprenticeship Offerings/Sponsors/RTI & ETPL
- e. Expand College Credits...NJPLACE
- f. Strengthen Local Efforts – Employers, Schools, Unions, WFD, etc.

We maintained this process throughout 2019, but as we progressed to the completion of our 1-Year Report the COVID-19 created a 'hard stop' for our efforts. NJMEP kept working on the adaption of internal programs, and through the support of Maureen O'Brien Murphy was able to continue various, albeit inconsistent connections with Committee Members.

Compiling all the data from four (4) Committee Meetings, Workshops, and Virtual Programs...the following is what we came up with as our initial report.

**Committee Focus on Industries:**

What we found as we investigated this opportunity was that there is a need for a consistent Structure & Process. While the discussion of flexibility continues...in order for all the components to be supported by the State, the Educational Sector, and Industry – a reusable structure was the key.

That being said – we fast realized that that we need to have a more finite approach and decided on a 3-pronged focus that included these Industries:

- Manufacturing – which includes STEM & Transportation & Logistics
- Medical & Health Care
- IT Services – which can be captured in almost any Business Sector

We opted to stand clear of Auto Mechanics and Construction because of (1) our lack of overall knowledge on our Committee; (2) the fact that they are currently more advanced than the others.

**1.) Structure – Process:**

- a. Engagement Cycle – Needs Assessments have proven to be paramount in the Manufacturing Industry to provide direct input from the companies in need of the new hires, and to determine the Gaps.

Yes, there are proven job categories, but they have evolved with the influx of higher technology and automation, while the descriptions remain the same. Couple that with the reduction of people entering the Industry and considerable effectiveness of training and upskilling has been lost over the last several decades.

This is especially seen in the smaller firms (under 100 employees) that dominate this sector, as they are not in the position to 'train up' individuals, but extend working hours, and delay retirements to overcome the need.

In conversation – each of the other (2) Industries have 'seen' similar issues. There are various programs for Technicians that include credentials and degrees, but what is lost is the time and effort spent via structured On-the-Job (OJT) training that provides a stronger core of workforce effectiveness.

Therein lies the true advantage of an applicable Apprenticeship Program.

- b. Program Length – the more traditional Apprenticeships lasted 3 to 5 years where an individual progressed from Apprentice to Journey Person to Master, and it provided a very structured approach to careers. However, in today's educational system there are more options for advancement that can (and should) include degrees, as well as Certificates & other Credentials.

Couple that with the burdening need for more and more work-ready people into our (3) core areas – and – the timeline needs to be significantly shortened. Many programs are looking at 6 months or (even) less. The Industry concern is whether these are effective or not. Extensive research by the NJMEP Pro-Action Network Team (PEN) has led us to programs that are Foundational, include a National Credential, a solid OJT Curriculum, and run 1 ½ to 2 years in length.

As an aside – NJMEP now has (8) US-DOL Registered programs, with all but one built off of the same foundational learning & credential.

## **2.) Career Pathways – Educational Options – Individually Driven**

- a. Client - Many firms have internal programs that provide support and learning but lack a credential that can be attained by the Employee. Unless supported through a educational entity of an Intermediary (IRAP-SRE) this process remains limited in scope.
- b. Student – Vo-Technical / CTE 'seats' remain limited, and those in the general high school population are usually shut-out from Pre-Apprenticeship opportunities.
- c. Apprentice – Programs remain limited because the feeder programs of 'Shop' were basically pushed out of most high schools into CTE's. The problem is, as excellent as NJ's schools in these areas are, there is not enough of them.

Therefore, Apprenticeship Programs needed a rebuilding process, which has been underway in NJ due to the leadership or the NJ-DOL (GAINS & PACE) and other partners.

- d. Incumbent – one issue that has come up in several Sectors is the fact that Incumbent Workers that do not have the Credentials now being offered has put them at a disadvantage in learning, but also has created defined 'logjams' at entry-level positions. Therefore, the ability to place incumbents into Apprenticeships and others is a necessity.
- e. On & Off Ramps – the ability to provide an individual approach to Business Education that can include various degrees, credentials and others are key aspects of today's Apprenticeship Programs. While individuals can decide to stop their education and

maintain their skills in a specific area...others can evolve during (both) parallel and divergent paths to advance their careers.

Again, in order for this to succeed, then the process must be consistent, proven effective, and approved by all partners.

**3.) Key Partners:**

- a. Industry – companies cannot be ignored as they have in the past, as they will not support the hiring of individuals that do not fit their need. They also need to be called upon to financially support those that do work by providing them with a job.
- b. Governor & Legislators – must continue to see the need and work to fund and support as required to provide viable careers for our citizens.
- c. Government Departments:
  - i. US-DOL
  - ii. NJ-DOL
  - iii. NJ-DOE
  - iv. NJ-OSHE
- d. Educational:
  - i. CTE Schools
  - ii. High Schools
  - iii. County Colleges
  - iv. 4-year Schools
  - v. Outside Communities
  - vi. Industrial Training Entities

**4.) Importance of a Trained & Experienced Intermediaries:**

The value of an Intermediary when it comes to the success of Apprenticeships is paramount. These are the groups that act as the core to connect the various corporate, educational and other assets to ensure that the programs actually operate and achieve as designed.

Simply, their Industry-Knowledge is the key.

They can act to locate and develop:

- a. Industry Certifications that apply and meet standards.
- b. County College – For Credit & Non – how these interact to define progression towards a Certification or a Degree.
- c. Stackable Credentials & Credits – where Articulation Agreements and described processes come together to build a proper educational transcript.
- d. 4-Year Degrees & Beyond – how the Educational 'pathway' connects to the individual's needs for career advancement.

- e. On-the-Job Training – how the Industrial ‘pathway’ connects to the individual’s need for a job...leading to a career.
- f. IRAP’s – or Industry Recognized Apprenticeship Programs. How do these fill in select grants and lead into higher-level programs?

### **5.) Funding:**

This is a crucial aspect that must be addressed properly, as when you speak of an Apprenticeship it is a self-described ‘earn while you learn’ program that assures individuals of a job...to start. Therefore:

- Industry has to invest in new hires and their educational transformation. They do this by hiring the individual and by providing a platform for OJT.
- Public & Private Education need to ensure that graduates are coming forward with the baseline learning levels.
- US-DOL – has larger grants (i.e. Scaling Apprenticeships), and New Jersey needs to be able to successfully compete for these offerings. However, they do not take into consideration the support infrastructure required to make these work, nor do they cover enough of the costs. NJMEP’s estimate is \$6,500 cost for a 1 ½ year program.
- NJ-DOL – their efforts in their Pre-Apprenticeship (PACE) and Apprenticeship (GAINS) have been very-well received to date, but unfortunately the Pandemic disrupted the completion of Grants. Also, the program was for a 1-year term, and that did not support many of the Registered Programs.
- NJ-DOL – use of OJT Funds and tax breaks can certainly be put to positive use from each company to maintain the process.

### **Lessons-Learned & Recommended Next Steps:**

- Pre-Apprenticeship programs serve as a positive feeder to Apprenticeship Programs
  - Investments in programs such as Youth Transitions to Work (YTTW) and Pre-Apprenticeship in Career Education (PACE) provide individuals with the knowledge, understanding, and skills preparation to enter Registered Apprenticeship opportunities in occupations with career pathways.
  - Pre-apprenticeship programs can also serve as a screening process to ensure a positive match with a candidate and a registered apprenticeship program in a particular industry/occupation
- A quality mentorship experience leads to a quality apprentice
  - Mentoring an apprentice during their program journey is key to their success.
  - Mentors support the transfer of knowledge, they coach and guide apprentices through the on-the-job training portion of the apprenticeship program.
  - Mentoring is key to successfully transferring knowledge learned in the classroom to the performance of skills/work on the job.
  - Knowledge of a job/skill doesn’t always make someone the best person to train/teach another. Knowledge transfer isn’t always easy.
  - Recommended Next Steps - Establish a dedicated fund or portion of funding dedicated to train Mentors, from businesses, on the needed skills, knowledge and abilities to be an effective Mentor in a Registered Apprenticeship program.

- High need for remediation among candidates/applicants
  - Regardless of age, there appears to be a very high demand for remediation among applicants.
  - Applicants are unable to pass entrance exams and therefore will not be able to enter or excel in occupations.
  - Current training structure does not always allow for remediation or the level of remediation needed to meet applicant's needs.
  - **Recommended Next Steps** - Target recruitment from pre-apprenticeship programs that offered needed remediation programs; Connect CTE programs to industry to better assess effectiveness of programs; Connect with community partners that offer remediation programs; Work with One-Stop Career Centers to acquire remediation funding/programs; Expand engagement with business and industry associations and other such organizations for employer engagement.
- Ongoing review of NJDOL Industry Valued Credential List to ensure alignment with industry identified requirements/needs
  - Alignment of programs is key to their success
  - NJDOL industry credential list should align with credentials most in demand and identified by industry
  - **Recommended Next Steps** - Identify the top occupations within each of the three (3) primary industries (IT, manufacturing & healthcare); Identify the top credentials associated or most in demand for those occupations; and review the list annually to maintain its accuracy.
- Importance of on-the-job (OJT) training in registered apprenticeship programs
  - OJT is key to the apprenticeship model
  - Structured OJT should have a dedicated funding source
  - OJT should support a percentage of hours of an apprenticeship program
  - **Recommended Next Steps** – Remove the \$15.00 per hour requirement for sponsors to receive OJT reimbursement by NJDOL. This wage cap does not exist in other NJDOL OJT wage reimbursement programs. If we are trying to encourage expansion of RA programs, we should support a wage cap consistent with the current minimum wage. Additionally, encourage allowing OJT to cover a percentage of hours consistent with the length of the apprenticeship program.
- Growing Industry Involvement within Committee
  - Challenge – Need additional relationships to expand industry input on Committee
  - **Recommended Next Steps** – Request SETC members or other employer connections, engagement or participation
- Alignment of Grant Durations
  - The creation of a new registered apprenticeship program takes considerable time and planning to be done properly
  - It involves business/industry working closely with our government partners at the USDOL as well as the State DOL
  - Creation, implantation and completion cannot always be successfully completed within a 12-month timeframe
  - **Recommended Next Steps** – Request that the NJDOL expand their grant timeframes to better align with the work product being requested under their grant proposals. At a minimum, the NJDOL grant periods should be for 18 or 24 months to achieve full results

- **Important role of intermediaries within registered apprenticeship**
  - Intermediaries serve an important role in the apprenticeship process for many small to medium sized businesses
  - Intermediaries must have knowledge and relationships within the industry
  - Intermediaries identify sponsors and candidates for participation; conduct intake and testing; can administer training; support for mentors; planning for sustainability and future growth; and ultimately assist small to medium sized businesses grow the apprenticeship model within their operations.
  - **Recommended Next Steps** – Dedicated funding sources to implement a Train the Trainer Program to train intermediaries in specific high growth industries within New Jersey in an effort to aid small to medium sized businesses utilize/expand the use of registered apprenticeship programs.
- **Statewide consistency with credentials and awarding of college credits**
  - Industry recognized credentials are often included/awarded as part of an apprenticeship program, and remain valuable due to their transferability
  - To ensure consistency, it would be beneficial to have industry recognized credentials evaluated and awarded college credit by a statewide educational institution to ensure consistency in credit awards throughout, vs. the risk of individual institutions awarding various credits for the same credential which may not result in an equal conclusion.
  - **Recommended Next Steps** – NJDOL to identify most demand credentials, identify a statewide educational institution and contract them to evaluate those credentials for college credit and post same on the Industry Valued Credential List.
- **Industry recognized credentials as foundational learning**
  - Success in utilizing industry identified credentials as the foundational building block for creating new apprenticeship programs.
  - **Recommended Next Steps** – Encourage the use of industry recognized credentials being built into the framework of apprenticeship programs, especially those that have been evaluated for college credit.
- **The need for increased flexibility with instructional models**
  - The cohort model is most often utilized for enrolling participants in training programs
  - This model can be restrictive because it requires participants to enter, exit and progress at the same speed.
  - Rolling registration model is more preferred as it allows participants to enter and exist when ready and progress through learning at their own speed within a total timeframe
  - **Recommended Next Steps** – Virtual Learning remains acceptable and adaptable as framework allows within the industries.