

Frequently Asked Questions – Employers

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What is a Registered Apprenticeship Program (RAP)?

A RAP is an industry-driven training model that enables employers to train workers to meet their unique needs. A RAP includes a mix of classroom instruction and structured on-the-job training; both are developed, reviewed, and approved by employers. A RAP is a paid job; when employers hire an apprentice, they are hiring an employee. Apprentices receive a paycheck from day one, and they earn progressive wage increases as their skills and productivity increase. Apprentices also receive mentorship from experienced colleagues, and they attain a portable, national, industry-recognized credential. Apprentices can be new hires, or they can be current employees who are ready for additional training to move up in the organization.

A RAP is formally approved by either the U.S. Department of Labor's (DOL) Office of Apprenticeship or by a state apprenticeship agency. This formal approval process ensures that the program meets quality standards and criteria meant to protect apprentices (such as a wage progression). In addition, RAPs may be eligible for <u>federal and state financial incentives</u> to offset some costs associated with launching RAPs and providing training to apprentices.

Can a RAP be used to train employees for jobs in supply chain automation?

Yes! RAPs are currently used in a diverse range of industries, including the growing and critically important field of supply chain automation. Employers are using RAPs to upskill new and incumbent employees in key sector areas such as logistics, warehousing, mechatronics, and transportation. RAPs are used in high-demand occupations like supply chain managers, logistics analysts, industrial machinery mechanics, mechatronics technicians, water treatment plant and system operators, and more. Supply chain automation employees use the latest technologies to streamline and improve the flow of goods and services. The Supply Chain Automation Workforce Hub (SCA Workforce Hub) is a DOL intermediary contracted resource that provides a variety of free supports and services to employers and other sponsors interested in launching or expanding a RAP in a supply chain automation occupation.

Why should my company consider a RAP?

Employers that offer a RAP realize numerous benefits from using this model as a talent development strategy.

- ▶ A RAP is a highly flexible and customizable model; employers can design the program to meet their specific talent development needs. A RAP allows employers to ensure their employees have the right skills from the very beginning.
- ▶ A RAP provides a way to attract new and more diverse talent to the company. Because apprentices earn a wage while they learn, this training model is appealing to potential employees, including those individuals who may have family obligations or are unable to stop working while pursuing postsecondary education. The RAP model can help employers recruit a broader, more diverse pool of talent.
- ▶ Employers that use a RAP experience reduced turnover costs. Across all industries, apprentices have high retention rates in the jobs for which they prepare; 93% of apprentices retain employment after completing their apprenticeship program, which reduces costs for employers.
- ▶ RAPs may be eligible for a <u>variety of funding</u> from the workforce system, including federal, state, and local sources. Some states offer tax incentives, and employers in some industries may be eligible for additional incentive funds to offset program costs.

What is the return on investment (ROI) from a RAP?

Employers typically experience a positive ROI from offering a RAP; on average, employers see a rate of return of \$1.47 for every \$1 invested in a RAP. In addition, 93% of apprentices retain employment after completing their RAP.

A RAP is one approach to talent development and diversification and employee training. As with any training program, an employer will incur both costs and benefits when operating a RAP; the costs and benefits will vary based on several factors, including the industry and occupation, the structure of the RAP, the market for apprentices and for other employees, etc.

There are many benefits to offering a RAP, including:

- ► Lower recruitment costs
- ▶ Increased revenue and productivity
- ► Savings on overtime costs
- Lower employee turnover and improved retention
- ► Increased diversity

Potential costs to employers include:

- ► Apprentice wages
- ► Training costs such as curriculum development or materials
- ► Mentor's time

- Opportunity to hire talent with companyspecific knowledge
- ► Expanded pool of skilled workers
- ► Improved employee morale from mentorship activities
- ► Equipment for apprentice training
- ► Human resources staff capacity
- ► Time spent fulfilling reporting and compliance activities

Specific costs and benefits can vary depending on how the RAP is structured and whether the employer serves as the RAP sponsor.

Are businesses of all sizes eligible to offer RAPs, including small- and mediumsized businesses?

Yes! Companies of all sizes—from small businesses to Fortune 500 companies, and everything in between—offer RAPs. Many small- and medium-sized businesses have experienced great success by using RAPs as a talent development strategy. While large companies often have more human resources capacity and other resources to develop and sustain a RAP, small businesses can work with partners to share the work of designing and launching a RAP. In addition, federal and state funds are available in many industries, including supply chain automation, to offset the costs of developing a RAP; these resources can be incredibly valuable for small businesses. Finally, apprenticeship intermediary organizations like the SCA Workforce Hub can provide support to businesses of any size to assist with developing and maintaining a RAP.

What does it mean to "register" an apprenticeship program?

A Registered Apprenticeship Program is formally approved by either the DOL Office of Apprenticeship or by a state apprenticeship agency. This formal approval process ensures that the program meets quality standards and criteria meant to protect apprentices (such as a wage progression). Part of the registration process involves identifying the skills and competencies required for someone to be fully proficient in an occupation—and identifying how the RAP will enable apprentices to develop those skills and competencies. A program

can be registered in just one state, or it can be registered at the national level if the program operates in multiple states.

What is the difference between a RAP and other types of work-based training models?

A RAP is a structured training program that requires apprentices to complete *both* classroom instruction and on-the-job training. This structured approach enables apprentices to learn general and theoretical content and then apply and master relevant skills on the job. In addition, apprentices work closely with a mentor who is highly experienced in the job, and the mentor helps apprentices learn and improve their skills. A RAP is an earn-and-learn opportunity that pays apprentices and guarantees wage increases as their knowledge and skills grow. Finally, apprentices earn an industry-recognized credential upon completion of the program.

What is a RAP "sponsor"? What does a sponsor do?

The RAP "sponsor" operates the program and assumes full responsibility for the program's administration and oversight, including funding. The sponsor is responsible for designing and implementing the RAP, including recruiting apprentices for the program; paying apprentices' wages; and overseeing apprentices' classroom training, hands-on learning, and mentorship.

Is an employer always the RAP sponsor, or can another organization be the RAP sponsor?

An employer can be the sponsor, but the employer is not required to be the sponsor; other organizations can serve as the sponsor instead. A sponsor can also be a community college or other educational institution, a workforce development board, or a community-based organization. If another organization serves as the sponsor, a formal agreement between the sponsor and the employer that commits to hiring the sponsor's apprentices is required.

How long is a typical Registered Apprenticeship?

A **time-based RAP** measures skills by completion of a specific amount of training; this is the traditional program structure that most people think of when they hear the term Registered Apprenticeship. A time-based program requires 2,000 hours of on-the-job training plus 144 hours of classroom instruction (generally equivalent to six months). A time-based RAP can take as long as four years to complete, but exact program length varies depending on the complexity of the occupation and industry needs.

Other more modern types of RAPs use different structures to shorten the length of the program.

- ▶ A **competency-based RAP** measures skills by demonstration of competency in required skills and knowledge; this structure allows apprentices to progress at their own pace through the program. A competency-based RAP can be completed in as little as one year, depending on how quickly an apprentice learns the required competencies. See "<u>How does a competency-based RAP work?</u>" below for more information.
- ▶ A **hybrid RAP** measures skills based on a combination of on-the-job training and skill demonstration; this type of program establishes a range of hours (minimum and maximum) for on-the-job training and classroom instruction and requires apprentices to successfully

demonstrate competencies to move forward in the program. A hybrid RAP generally takes one to two years to complete.

How does a competency-based RAP work?

In a competency-based RAP, apprentices are required to demonstrate competency in required skills and knowledge as opposed to completing a specific amount of training and classroom instruction. A competency-based RAP emphasizes apprentices' mastery of skills over the number of hours spent on a task. Apprentices complete proficiency tests to demonstrate their competency, and they may progress at their own pace through the program. As a result, apprentices can often complete a competency-based apprenticeship more quickly than a traditional time-based apprenticeship.

Competencies have already been identified for a number of occupations. Visit the U.S. Department of Labor's <u>Apprenticeship Occupation Finder</u> to see occupations that have already been approved and may be used to develop your own program. The SCA Workforce Hub can also assist with this process.

Does a RAP always involve a partnership with organized labor?

No, a partnership with organized labor is not a requirement of a RAP. Employers in a diverse range of industries use RAPs as a critical component of their talent development strategies. RAPs are used in the following high-demand industries: cybersecurity, healthcare, information technology, biotechnology, financial services, energy, engineering, telecommunications, advanced manufacturing, and more.

Who pays for apprentices' classroom instruction and on-the-job training?

Typically, the RAP sponsor pays for apprentices' classroom instruction and on-the-job training. However, responsibility and specific costs vary depending on how the RAP is structured. For example, an employer that is a RAP sponsor could use in-house resources to provide classroom instruction to apprentices, or the employer could partner with a local community college to provide that training to apprentices. Apprentices must be paid wages for time spent in on-the-job training; RAP sponsors have the option to pay apprentices' wages while they attend classes, in addition to paying for the cost of the training itself.

Federal and state funding may be available to offset the cost of classroom instruction or onthe-job training. The federal Workforce Innovation and Opportunity Act (WIOA) can provide funding for these services; in addition, individual apprentices may be eligible for federal financial aid or GI Bill funding. Apprenticeship.gov has information about <u>federal and state financial resources</u> that may be available to support a RAP; the Hub can also assist with identifying other potential federal and state resources. As the DOL intermediary in the supply chain automation sector, the SCA Workforce Hub has <u>incentive funding</u> available to help RAP sponsors offset some costs of providing training to apprentices.

How can my company get started with a RAP?

Employers can express interest in a RAP by visiting <u>Apprenticeship.gov</u>. In addition, the SCA Workforce Hub provides technical and financial assistance to employers. The Hub's focus is on occupations within the field of supply chain automation, including supply chain manager/specialist, logistician, logistics analyst, industrial machinery mechanic, mechatronics

technician, and more. Please visit our <u>website</u> and contact the Hub at <u>scaworkforcehub@manhattanstrategy.com</u> to learn more about how we can help you.

How can the SCA Workforce Hub assist sponsors?

The SCA Workforce Hub is a DOL intermediary contracted to provide a variety of free supports and services to employers and other sponsors interested in launching or expanding a RAP in a supply chain automation occupation. The Hub can provide a variety of supports to help employers; we can assist with development of a national or state RAP, expansion of a current RAP, recruitment of apprentices, identification of funding, and more.

Furthermore, the Hub offers <u>financial incentives</u> to RAP sponsors that can be used in a variety of ways to offset some costs associated with launching RAPs and providing training to apprentices. An incentive of up to \$500–\$1,000 per apprentice is available, with up to \$30,000 per year in incentive funding available for each sponsor/employer.

Please review the Incentive Fund <u>application</u> and <u>FAQ document</u>, and contact the Hub at <u>scaworkforcehub@manhattanstrategy.com</u> if you have questions or need any assistance.