

Insight

National Apprenticeship Week

ISABEL SOTO | NOVEMBER 9, 2020

Executive Summary

- It's National Apprenticeship Week—a perfect opportunity to analyze the state of apprenticeship programs in the United States.
- While there has been significant effort toward expanding apprenticeship programs, these programs are facing several challenges including duplicative efforts with limited funding, accessibility concerns, and a mismatch between current offerings and future labor market needs.
- As policymakers seek to encourage apprenticeships, they should keep in mind the challenges that
 apprenticeships face in the current economy.

Introduction

National Apprenticeship Week, which this year runs from November 8-14, was created by the Department of Labor in 2015 to highlight the success and popularity of apprenticeship programs around the country. Apprenticeships have played a crucial role in the development of the United States labor force and continue to provide Americans with opportunities to gain valuable skills and better support themselves and their families. Below is a brief overview of apprenticeship programs' purpose, successes, and current and future challenges. Pieces for the remainder of the week will consider each of these in further detail.

The Necessity of Apprenticeships

The use of apprenticeships has been documented as far back as the Middle Ages and has been a well-established element of the United States' workforce since the country's founding. While apprenticeships are an ancient model, many consider them an avenue for addressing modern challenges arising from the rapidly changing nature of work. Apprenticeships are often discussed in the context of "upskilling" or "reskilling" to meet the new labor-market demands arising largely from automation and emerging industries. Simply put, in order to keep up with technological innovation, changes in business models, and new industries, workers need to develop the skills to perform new duties. The apprenticeship model allows workers to obtain in-demand, specialized, portable credentials and skills without forgoing wages as they learn. Research has shown that apprenticeships can place workers on clear career pathways, lead to greater earning potential, increase overall productivity, and increase retention rates for employers. It therefore is a crucial part of the United States' ability to ensure a dynamic and adaptable labor force. They therefore are a crucial part of the United States' ability to ensure a dynamic and adaptable labor force.

Challenges

Challenges to the success of apprenticeship programs remain, however, including overlapping federal programs that could waste money by duplicating efforts, accessibility concerns, and a mismatch between current apprenticeship offerings and future job openings.

The benefits of apprenticeships are clear, and as a result the federal government has instituted programs that seek to provide support and structure to apprenticeships. Yet there is disagreement over how best to structure and administer federal apprenticeship programs, and a central tension is funding allocation.

The federal government has long had the Registered Apprenticeship Program (RAP), but the Trump Administration's Department of Labor (DOL) developed an entirely new system of apprenticeship. Industry-Recognized Apprenticeship Programs (IRAPs) offer a flexible, innovative approach to work-based learning that emphasizes employer buy-in. This new program was hailed by the administration and industry leaders as a substantial step toward greater apprenticeship accessibility for all types of workers and employers.

Not all support this new approach, however.

Critics have pointed out that IRAPs could take resources from the DOL's existing RAPs, which have been around for over 80 years. Funds that are allocated for apprenticeship expansion could now go directly to IRAPs or be split between both programs rather than go entirely to RAPs, as they have in the past.

Furthermore, the apprenticeship programs currently in operation show that accessibility can be improved. There are several reasons why an employer or individual who would benefit from participating in an apprenticeship program would choose not to. Costs can discourage creation of or enrollment in apprenticeships and could in part explain why there is little demographic diversity within programs specifically among women. The COVID-19 pandemic likely increases costs and make accessibility even more challenging. Exploring the reasons that some individuals do not commonly enter into apprenticeships is a valuable way to identify areas that could use targeted attention as apprenticeship programs look for ways to be more effective.

Last, research has indicated that there is a mismatch between the current federal apprenticeship opportunities and the kinds of jobs that will be available in the future. Thus, one of the most important aspects of the modern apprenticeship system is ensuring that the skills that are taught are the skills that employers need. Understanding which industries are growing most rapidly and which skills are most needed in those industries can help to direct the development and evolution of apprenticeship programs.

Conclusion

This year's National Apprenticeship Week presents the opportunity to assess the challenges to advancing apprenticeship efforts. Apprenticeship programs have shown clear benefits to the economy, workers, and employers by equipping individuals with high-demand skills while also allowing them to earn portable credentials. This week's series will explore some of the challenges of apprenticeship programs both today and in the future.