

# **Expanding the Apprenticeship Model to HR**

Apprenticeships are moving beyond the trades and being used to train fledgling HR professionals.

By Kathryn Tyler June 5, 2019

The first federally registered HR apprentice in the country works at the Paper Mill Playhouse, a nonprofit regional theater in Millburn, N.J. Her name is Crystal Zamora, and she may be on the leading edge of a wave of apprenticeships for HR professionals and other white-collar workers.

Zamora and other rising professionals are preparing to step into critical jobs that many businesses across the country are having trouble filling. In Coalinga, Calif., for example, leaders of the West Hills Community College District were working with local farmers and food processors on agricultural and manufacturing apprenticeships when they discovered that nearby employers lacked qualified HR staff who were willing to stay in the rural area.

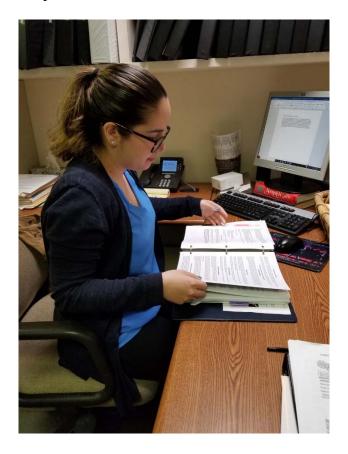
In response, the community college developed a state-registered HR generalist apprenticeship program that launched this year. "HR apprenticeships help meet the need for organizations to grow their own loyal talent," says Corinna Pereira, the community college's workplace learning liaison.

Apprenticeship is an instructional model that combines on-the-job training with classroom education in a formal program in which workers earn while they learn. Apprenticeships tend to differ from internships, when students typically work for a few months for little or no pay to fill out their resumes. By contrast, apprentices typically work for two to four years and receive competitive pay plus benefits.

The California community college program requires participants to complete 4,000 hours of onthe-job training and 288 instructional hours through five online classes. The apprenticeship is tuition-free and state-funded, and the credits are transferrable within the California State University system should apprentices decide to pursue a bachelor's degree.

Apprenticeships have gained widespread acceptance across much of Europe, especially in Switzerland, as employers seek to offset labor shortages and demographic shifts, and their use is growing in the U.S., particularly in the manufacturing and construction industries. According to

the U.S. Department of Labor, more than 585,000 U.S. workers are enrolled in apprenticeship programs, an increase of 56 percent since 2013.



HR apprentice Crystal Zamora works at the nonprofit Paper Mill Playhouse in Millburn, N.J. Zamora is the first federally registered HR apprentice in the United States.

For HR and other professions, apprenticeships are still rare, but that may be changing. With labor at a premium, apprenticeships could become a key talent source for hard-to-fill HR jobs and positions that don't require a four-year degree, while providing apprentices with invaluable experience and education.

"With record lows in unemployment, there's an urgent need in the employment market to upskill potential candidates who might not have ordinarily been considered for certain positions previously, like people without college degrees," says Valerie P. Keels, SHRM-SCP, head of D.C. office services for Gavi, the Vaccine Alliance, an international nonprofit.

Research by Harvard Business School and Burning Glass Technologies found significant opportunity to expand apprenticeships in the U.S. to many untapped occupations—including high-value, middle-skill professional office jobs facing degree inflation, such as HR specialists.

"There's a clear misconception that apprenticeships are only in hard skills like construction trades," says Nicholas Toth, assistant director in the Office of Apprenticeship at the New Jersey

Department of Labor and Workforce Development. The agency's focus is to apply that already-successful model to office-based apprenticeships.

## The HR Apprenticeship Model

In June 2017, President Donald Trump signed an executive order to expand apprenticeship programs, and the federal government is squarely behind the push. "The [U.S. Department of Labor] is promoting a lot of white-collar apprenticeships. That's where apprenticeships are headed," says Anne Pollock, HR manager at Paper Mill Playhouse, which has 55 employees.

That's working out well for Zamora, who's getting a ground-level view of HR management. "It's great to read about situations in a textbook," she says, "but they become vivid when receiving hands-on experience."



Apprentices undergo injection training at Dartmouth-Hitchcock Medical Center in Lebanon, N.J.

According to the Employers Association of New Jersey (EANJ), when it sponsored Zamora for its apprenticeship program in 2018, she became the first federally registered HR apprentice. The

association's member companies, including Paper Mill Playhouse, train the program's apprentices—students who rotate through the employers for 1,800 hours over two years—while the EANJ pays the apprentices' wages, workers' compensation and health insurance costs.

It's a huge commitment on the part of the students, says John Sarno, creator of the EANJ program and president of the association in Livingston, N.J. The apprentices work 24 hours a week and spend the remaining time in college classes at Caldwell University, where, upon completion of the program, they receive Bachelor of Science degrees in business administration with minors in HR management. Sarno recruits sophomores from the school to participate in the apprenticeship program during their junior and senior years.

"I chose this apprenticeship because it was particularly attractive in terms of experience," Zamora says. "I've been able to apply concepts learned in the classroom to real life. It's given me a glimpse of what it's like for an employee in the HR field and allowed me to grasp much more than I ever would by reading a book."

#### HR Apprenticeships and College

Most entry-level HR professionals earn four-year college degrees in HR, business administration or another field before moving into the profession. In contrast, HR apprenticeships immediately focus on job experience and HR-specific courses. Some programs target students currently in bachelor's degree programs, while others are tailored to high- school graduates, community-college students or incumbent employees looking to advance.

Aon, a global professional services firm with 50,000 employees, launched its two-year U.S. apprenticeship program in 2017 in conjunction with the City Colleges of Chicago in the fields of HR, account management, client support, financial analysis and information technology.



'With record lows in unemployment, there's an urgent need in the employment market to upskill potential candidates ... like people without college degrees.'

Valerie P. Keels, SHRM-SCP

The program trains high-school graduates and new community-college students who are eligible for paid tuition benefits and will earn associate degrees upon completion.

"Apprenticeships can address the challenges of the rising cost of college and create a pipeline of talent," says Lashana Jackson, vice president of Aon's global head of talent management and inclusion. "Almost every large firm has entry-level opportunities in HR that currently call for a four-year degree. The first step is to evaluate whether that degree is required. Many companies are having conversations about skills-based hiring and how to evolve beyond a degree as the only form of skill validation."

Ashley Kranz graduated from Aon's HR apprenticeship program last December and now works as an HR coordinator in the total rewards department.

"When I first started, there was a lot of learning about what HR is and what it's responsible for," says Kranz, who came to the program after taking classes at the community college on and off for several years. "I was one of the older apprentices. I was working at a warehouse 50 hours a week and taking classes to get closer to graduating, even though I had no idea what I was even going to school for. ... When I found the apprenticeship program, I had nothing to lose. It turned out to be the best decision of my life."

## State and Federal Registration

Some apprenticeship programs are federally registered and/or state-registered, and others are not registered at all.

"There are notable advantages to registering," Toth says. "The individual gets a nationally recognized credential, and the company gains access to federal and state resources for growing apprenticeships. And [New Jersey] will offset the cost of the apprentice's wages for six months—up to \$8,000—and will offset some of the classroom learning costs." Toth says there are currently more than 1,300 federally registered apprenticeship occupations.

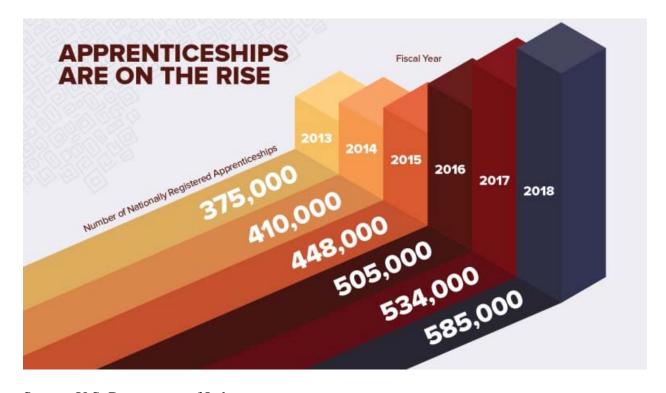
Another benefit is that registered apprenticeships can tap funds for in-house training, according to Pereira. In California, that's \$5.80 per pupil per classroom hour, she says. State and federal representatives also train staff, although that's not always offered at the outset, she adds.

Despite the benefits, some HR professionals will reject registering apprenticeships to avoid additional legal compliance regulations. "HR people have enough regulations they need to be cognizant of," Pereira says. "They're not going to raise their hands to add more."

Additionally, not every company feels existing government guidelines match their needs or wants. For instance, Accenture decided not to register its apprenticeship programs. "We wanted to have flexibility," says Pallavi Verma, senior managing director for the Midwest and nationwide leader of the apprenticeship program for Accenture in Chicago. "The Department of Labor requires a minimum one-year-long program, and not all of our jobs require that long to apprentice. Some require only three months of on-the-job training."

Dartmouth-Hitchcock Medical Center in Lebanon, N.J., had a similar experience. "We like the registered component and the national standard, but not every profession needs to be registered,"

says Sarah Currier, vice president of workforce strategy. "We use both registered and unregistered apprenticeships."



Source: U.S. Department of Labor.

### Apprenticeship Advantages

Employers cite many benefits of apprenticeships, including capturing institutional knowledge, increasing retention and improving onboarding. It's also a great tool to reduce skills gaps. "Rather than hiring employees straight out of college, you get a person who has received on-the-job training that can't be taught in a classroom," Toth says.

HR apprentice Zamora learned payroll software at her first employer rotation, so when she came to Paper Mill Playhouse, she could work on payroll projects immediately. "She was one step ahead of anyone I would've hired," Pollock says.

Apprenticeship programs also provide a continuous supply of new workers. Dartmouth-Hitchcock started its program five years ago to address talent shortages. "It was borne out of a burning need to identify qualified candidates in medical coding and billing positions," Currier says. "We were making a significant transition from one coding language to another, and we didn't have enough people to send the existing staff to train. We couldn't find enough certified coders. We asked ourselves how we could use on-the-job training to skill people up to step into these positions, because the market wasn't driving people into these career paths."

A T	ypical	Apı	pren	tices	hip
<i>,</i> , ,	, pioai	, , p	$\boldsymbol{\rho}$ . $\boldsymbol{\circ}$		

Duration 2-4 years

Instruction

Government Registration

High-school graduates and two-year community-college Target Market

students

Competitive wages plus health benefits, sick time, Potential Costs to Employer

vacation time, and, sometimes, tuition with a

community college or another educational partner

Classroom instruction as well as on-the-job training in all areas of the position in preparation for a career with

the company

Company may register the apprenticeship with the U.S.

Department of Labor or state agencies to take advantage

of funding to offset apprentices' wages and educational

costs

Dartmouth-Hitchcock devised a curriculum that resulted in a 13-week boot camp. "At the end, the apprentices sat for the national coding exam. A typical pass rate is 70 percent, but we had a 100 percent pass rate," Currier says. "At the end of the 2,000-hour apprenticeship program, all 12 were fully competent medical coders. They immediately started work."

The program worked so well that the medical center used the apprenticeship model for other highly skilled jobs, such as medical assistants and pharmacy technicians. These programs have now trained more than 500 individuals.

"The apprenticeship opens an entirely new avenue to get talent into the medical center," Currier says. "It's allowed us to find people who are eager and invested in coming to work but haven't developed the skills or don't know about the pathways to develop the skills to work in the medical field. We're thinking about new populations. We originally started this work to attract under- and unemployed [workers], but now we're changing models around where talent resides, such as retirees."

Apprenticeship programs can drive diversity, too. A white-collar apprenticeship can bring diversity "because it lowers barriers. If you can't pay for college, you never build [critical] skills," Currier says. "Apprenticeships take financial barriers out of the way and open the opportunities to a much broader workforce. It provides another on-ramp to fill those careers."

Companies can use apprenticeships to draw from underutilized labor pools, such as veterans and community-college students. For instance, in 2016, Accenture launched its first apprenticeship program in Chicago to attract underrepresented groups to cybersecurity and information technology (IT) positions. The consulting and professional services company partnered with Wilbur Wright College to shape the school's IT curricula. Accenture apprentices gain on-the-job experience for a year while earning a salary, health care benefits and paid time off. Most candidates begin after taking some college classes.



'Apprenticeships are an important part of how we're going to fill the skills gaps facing our economy by helping people to reskill themselves.'
Pallavi Verma

Accenture rolled out additional apprenticeships across the country in different professional areas and is now planning a program for HR professionals in New York state. Last year, the company graduated 150 apprentices but aims to graduate 450 this year. Over 90 percent of the graduates retain employment with Accenture after completion of the program.

As with so many strategic initiatives, apprenticeship programs need the support of decision-makers. "The biggest challenge is finding leaders who buy in and want to invest the time to train these individuals," Verma says. "Classically, we have hired individuals with four-year college degrees, so it was a mind-shift change for us. Once our leaders saw it was a great pool of talent, it became easier."

Aon's apprenticeship program has realized similar benefits. "Ultimately, our program increases productivity and fills the need for a talent pipeline for roles that don't require four-year bachelor's degrees," Jackson says. "Our apprenticeship program brings a new talent strategy to our firm that assists in solving long-term business issues relating to retention and diversity."

#### Value to Apprentices

While the advantages of apprenticeships are numerous to employers, apprentices can gain career skills and reap financial rewards. And that compensation can be significant. On average, apprentices earn \$50,000 a year, according to Toth.

As for career skills, apprentices are ready to work on day one because they've gained practical work experience. "We work with five different unions, so we've been able to give our apprentice experience in dealing with unions in the work environment," Pollock says of Paper Mill's

program. "It has opened [Zamora's] eyes to what it's actually like to be in an HR office. Apprenticeship is learning by doing."

One of the best features of apprenticeship programs is that they put participants on the path to a well-paid career without the crushing burden of student-loan debt. "Apprentices have an opportunity to get jobs that pay well, even if they don't have a higher education," says Ernie Dupont, senior director of workforce initiatives for CVS Health, a retail pharmacy and health care company headquartered in Woonsocket, R.I.

In 2005, CVS Health was the first employer to launch a federally registered apprenticeship program for pharmacy technicians. Through 2018, the company has had more than 7,000 colleagues join its registered apprenticeship career tracks for retail pharmacy, prescription benefit management, logistic supervision and retail store management. "We're considering expanding our apprenticeship offerings to nursing, digital, technology and specialty pharmacy," Dupont says.

As at CVS Health, white-collar apprenticeships are poised to grow nationwide. "Apprenticeships are an important part of how we're going to fill the skills gaps facing our economy by helping people to reskill themselves," Verma says. "If you look into the future, jobs are going to be disrupted, and there will be new jobs because of technology. How do you get in front of that and create the right training and job opportunities for those individuals?"

White-collar apprenticeships may well be the answer.

Kathryn Tyler is a freelance writer and former HR generalist and trainer in Wixom, Mich.

https://www.shrm.org/hr-today/news/hr-magazine/summer2019/pages/expanding-the-apprenticeship-model-to-hr.aspx