



# Expert Dialog

## Education and Training of Incumbent Workers and Apprenticeship

### INTRODUCTION

The Scaling Apprenticeship Community is launching an expert dialog series. Today, we are discussing education and training programs that serve incumbent workers.

Many Scaling Apprenticeship grantees are working with employers who serve incumbent workers to increase their skill levels and productivity in the workplace. This dialog explores the ways in which employers think about, plan, and deliver incumbent worker training programs, the benefit these programs afford employers and workers, and effective strategies to serve incumbent workers.

The expert helping us understand the world of incumbent worker training today is Jaime Fall. MSG Senior SME Mason Bishop interviews Jaime.

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### Meet the Experts

**Jaime Fall** has worked in the field of workforce development for over 25 years. His leadership positions include serving as communications director for the U.S. Department of Labor’s Employment and Training Administration, as deputy secretary of the California Labor and Workforce Development Agency, and vice president of Talent Sustainability for the HR Policy Association. Currently, Jaime serves as director of Upskill America, a program of the Economic Opportunities Program at the Aspen Institute where he works with companies to create, expand, and improve education and training opportunities so workers have expanded opportunities to advance in their careers.

**Mason Bishop** is an expert and practitioner in workforce development and postsecondary education. He previously served as a Vice President at Salt Lake Community College. Over the past seven years, he has worked with community colleges on all aspects of apprenticeship, such as business engagement, industry credentialing, curriculum development, and program implementation.

# Dialog

Thank you for taking the opportunity to help us better understand your work on upskilling, the voice of the employers, and how we can incorporate incumbent worker training into Scaling Apprenticeship grant projects. Let's get started with our first question.

## Incumbent Worker Training/Upskilling Defined

**Could you give us a quick introduction to upskilling? What does upskilling mean?**

The [Scaling Apprenticeship Grant](#) defines **Incumbent Worker Training** as training that increases the skills and credentials for (incumbent) workers to advance in their careers. It assists employers in strengthening the skills of their existing workforce.

There are quite a few different definitions out there, including some that seem to conflate upskilling/incumbent worker training and reskilling. We purposefully chose a broad definition. When we refer to it, we are referring to education and training that helps someone build their skills or their knowledge to do more advanced work, so they are positioned for advancement in the workplace. So, for example, if someone leaves fast food restaurant A and goes to work at fast food restaurant B, and learns how to use the cash register at the new restaurant, but continues to do

basically the same job, that would not be upskilling. Upskilling is when someone is gaining new skills or knowledge and doing more advanced work.

## Strategies for Implementing Training for Incumbent Workers

**Looking at training incumbent workers and upskilling the workforce, what are the methods employers use to upskill their workers?**

I would really point to three different broad types of upskilling. First, there are programs that develop cross-cutting foundational skills that an employer says their workers need. This would be things like English language proficiency, digital literacy, numeracy, and literacy skills – things that nearly every worker needs to be successful in the workplace.

Second, there are other types of programs where employers are investing because they have a specific skills shortage within their organization. One example would be IT skills, where a lot of employers are having difficulties filling positions now. You might have a hospital that needs more nurses. This model involves the employer creating a program to meet that shortage and develop a pipeline.

Finally, we also see employers investing in advancing the skills of workers in particular occupations within the organization. This can even include highly skilled workers whose jobs are changing. One example I would give is Amazon. They created a machine learning program. What they found is that their software engineers who have graduated three years or more ago really do not have the machine learning skills that they need to be successful in the current workplace so they created a program to help get their skills up to speed. That is one example of where an employer has highly skilled workers, yet due to changing skill needs, they are continuing to invest in those workers.

**Looking at those three different types, what do you think are some of the key factors that influence employers to pursue training for their workers?**

There are several drivers. If I had to pick one I hear the most, it would be changing skill requirements related to a job, typically because of the introduction of technology into the workplace or some sort of new technology. I also talk to employers who know that their millennials and Gen Z workers simply are not going to stay with them unless they are receiving some education and training and opportunities to grow and advance. Every survey of Millennials and Gen Z is consistent in saying that if they do not have an opportunity to advance or learn something new, they are not going to stay with an employer. So, sometimes it is a retention play on the part of employers.

### *Employers Utilize Upskilling Programs to:*

1. Develop cross-cutting foundation skills
2. Address specific skill shortages
3. Advance the skills for occupations within the organization

Also, employers are becoming more aware of the importance of the role companies play in their communities. And I think we are seeing this more now with the pandemic and the way employers are trying to deal with problems in their communities. In 2019, the Business Roundtable and its member companies released a **new statement** on the role of the corporations in their communities and how they have to be community stakeholders instead of being focused on the short-term stock price of and shareholder value. In that statement, one of the criteria mentioned for employers to be better community stakeholders was to invest in the development of their workers. So, for these reasons and many others, we do see a move on the part of the employers to be more engaged in their communities. Part of this is a commitment to the development of their workers.

### **What would you say some structural components are that make it a more effective incumbent worker training model?**

First, I would encourage employers that want to do some incumbent worker training to cast as broad a net as possible. So often, employers are focused on screening people out of programs. I understand only so many people can get into a program, but employers need more of a mindset on how they can screen people into programs.

Second, realize that this is a significant commitment of time and energy on the part of the workers who are participating in these programs. Even though it is in many ways generous on the part of employers, it can still come at a high cost on the part of the worker. As a result, try to make sure that the workers have what they need so they can be successful. And it is not just big things, small things matter too.

We heard from a wonderful lady who had an opportunity to go back and learn how to code to begin a new career where she could take care of her family. As part of an internship she was required to attend, every time she went, she had to pay \$10 for parking. That was incredibly difficult for her. There are all kinds of things like that that employers should think about. So, employers should begin by asking: How can we offer more opportunity to people who would not otherwise have that opportunity, and what do we need to do so they are successful?

Also, employers need to make sure the training is as much like the actual workplace as possible. That is one of the great advantages of apprenticeship. The program is structured so participants are doing in training what they will be doing in the workplace.

Engaging multiple employers is important. Certainly, there is nothing wrong with an employer doing their own program but there is great value to the sector strategies where a lot of employers are joining forces to create a program and build it up.

I have talked about the importance of building an effective feedback loop into the program so the provider is learning from the employers, they are learning from the provider, and the employers are learning from each other.

The most practical one of all, make sure there is a job at the end of the education and training.

One more thing I would mention, employers need to make sure that they have solid feedback loops built into the programs, so they are providing information back to the providers about how the participants and graduates are performing and changes that are happening in the workplace. It needs to work the other way as well. The providers need to be feeding information to the employers on industry changes as well. So, those are the most important things I would mention.

### *Useful Incumbent Worker Training Model Structural Components:*

1. Cast a Wide Net. Figure out how to screen people in instead of out
2. Provide program participant support (ex: parking stipends)
3. Ensure that training opportunities mirror the actual workplace
4. Build in feedback loops and follow up activities to track participant and graduate outcomes
5. Engage Multiple Employers
6. Ensure the Program ends in a Job

### **What are some ways that employers identify candidates for these types of incumbent training programs? What strategies do they use to identify the skill shortages they have internally?**

There are a couple of different things that come to mind. I have seen employers with good evaluation programs internally, the kind that tracks who is doing well on the job, who is exceeding expectations, who is respected by their co-workers, and who is productive. These employers often open the opportunities for those individuals to get into the programs. It is part of the company culture; people come into the organization, produce, and they get rewarded with opportunities to advance.

The other model is where employers open up programs broadly and allow anyone who is interested to apply to the program. Then, once they have their pool of applicants, they go through a screening process to make sure the people who are interested will be able to be successful. In some cases, this is just an interview where the employer is looking for interest and commitment, in other cases, there is an assessment to scientifically test aptitude.

The problem with the first model is that there are a lot of people that are eliminated, and there are biases that go into that selection process. But no matter what model is used, employers should look for ways to bring nontraditional candidates into the programs.

## Costs and Benefits of Incumbent Worker Training

### Speaking more generically in terms of upskilling incumbent workers, what did you see as the benefits to employers of training incumbent workers?

What employers talk most about is that incumbent worker training serves that basic need of giving companies a more skilled workforce. Many things are changing in the workforce, and all types of workers need new skills. Companies are implementing new technologies, and they need workers with more advanced skills. Upskilling is a solution. Also, as I mentioned, incumbent worker training investments help employers with retention. Workers will stay longer with an employer who is willing to invest in them and give them opportunities to advance. Some employers are reporting higher rates of engagement with employees, in part, due to new training programs.

Meaningful upskilling programs can help enhance a company's reputation. These programs can be tangible signs that companies are committed to their workers. Once the programs are in place, they certainly help companies with their recruitment. We have heard from a number of companies that the quality of applicants they get is better now that they have rolled out learning programs. Then, in some cases, we really see that the cost of the training is more than paying for itself. These are tremendous benefits that employers realize.

*Upskilling programs' benefits to employers include a more skilled workforce but also employee retention, employee engagement, employer reputation, and higher quality recruitment.*

### What are the costs?

Of course, employers must come up with the funds to pay for the training, and the program costs associated with it: recruiting participants, tracking, and paying employees. It does require commitment and investment on the part of the employer. But the benefits they are receiving far outweigh those costs.

### What research do you see showing the benefits of the return on investment (ROI) from a pure dollar standpoint?

I would point out five case studies that were done by the Lumina Foundation. Those studies looked at tuition assistance programs that companies offered and in each of the five cases, there was a positive return on investment. And in some cases, the ROI was as high as 144%.

**RESOURCE:** *Lumina Foundation's Talent Investment Payoff Series presents five employer case studies on the return-on-investment of tuition assistance programs.*

What was fascinating about those studies was that these programs showed they helped with retention and helped reduce cost of turnover. Additionally, where employers found the highest rate of return was when they invested in workers in positions where workers were paid the lowest. It was not helping an executive with a bachelor's degree get an MBA or helping someone with an MBA get a law degree. It was when they invested in call center workers, for instance, and helped them develop their skills that employers realized the highest rate of return.

## **You talked about employers, good corporate citizenship, and quality of applicants. Do you see employers offering upskilling opportunities as something that workers value and may even expect?**

There are a couple of areas related to that where employers can use some help. It really is not just offering the opportunity; it is making sure that the opportunity is structured in a way that there is a payoff at the end. If someone is going to put forth the time and effort to complete additional training or education, they need to be able to see there is going to be some sort of an advancement or at least an opportunity for advancement at the end, even if it is doing more interesting work or having a more stable job. Employers need to do a better job of explaining the value proposition.

Companies must also do things to make sure that programs are structured well. I would point to traditional tuition reimbursement programs as a dead model. Tuition reimbursement is when an individual has to come up with the money to pay for a semester of tuition, take the class and, if they pass the class, they get reimbursed. Talking with employers, we learned that it can take from six to 18 months for someone to get reimbursed for a class like that. As a result, it is a model that is not workable. Employers can offer tuition reimbursement all day long and there is going to be an incredibly small number of workers who can take advantage.

In contrast, one of the companies we work with at UpSkill America is a Walt Disney Company. They offered a fully-paid tuition program that pays for certification and degree programs. They allow the workers to take the classes that are important to them, and, in the first year alone, they had a nearly 9% take-up rate. By the first year and a half they were at a 12.5% take up rate. I would say that people are absolutely hungry for these opportunities, but the employer really has the responsibility to make sure that it is structured in a way that the individuals can take advantage.

## **Assessing Training Program Quality and Results**

### **How do employers develop programs? How is quality assessed?**

Not surprisingly, the employers I have worked with develop programs to solve a problem. Like we discussed earlier, sometimes it is to help with a cross-cutting skill need like English language proficiency, to solve an acute worker shortage like software engineer, or to build the skills of a particular segment of the workforce. As long as companies come at this with clear goals in mind, they can build metrics around it. Sometimes, the program is simply to build a pipeline of talent or to retain the talent they already have. Whatever those specific goals are, metrics can be built to measure it. The problem of course is when there are not clear program goals, or they are not closely measured; the program is hard to define as a success and hard to maintain in an economic downturn such as we are experiencing.

### **Looking at incumbent worker training programs, how do the employers measure success of these programs?**

It is a mix. I will mention some things employers have talked to me about. One metric is time-to-hire. If there is a pipeline of internal talent available, employers can see that the time to fill their open positions can be shortened. So, that is a huge win for employers because it adds to productivity.

Second, speaking of productivity, employers love it when people can step in and on day one, they can be successful in the workplace; instead of having to be retrained or trained for something completely different.

Certainly, retention is an area where employers see the benefits of upskilling and incumbent worker training. Other employers hope to increase their internal promotion rate as people who started at a lower position and received some sort of education and training advance.

I have had other employers talk about unexpected ways that incumbent worker training has impacted the workplace. One employer spoke of seeking higher job satisfaction from employees and an increase in the number of employees that responded affirmatively to an employee survey question asking: “Does my employer care about me?”

There is also employee engagement, which is most often measured through employee surveys. These are all measures and intangible benefits to employers when they are investing in the upskilling of workers.

## Implementation Barriers

### What are typical organizational barriers to the effectiveness of such programs?

There are a number of barriers I could point out. To start with, many employers really do not have a very good understanding of the educational attainment of their workforce. This is especially true for employees in entry level jobs that do not require a high school diploma. Employers are often shocked to find out how many of their employees lack high school diplomas when they do ask.

#### *Incumbent Worker Program Organizational Barriers:*

1. Employers unaware of the education attainment of their workforce.
2. Employers unsure of the skillsets of their employees.
3. Little to no tracking of educational and training certifications
4. No clear career pathways in companies

Secondly, because so many employers hire based on job titles and past work experience, sometimes they really do not do a very effective job of knowing what skills workers truly have. This is especially true if it is a skill they have that is not related to their job; for example, an engineer that builds drones on the weekend as a hobby.

Next, because of the myriad of HR, talent management, and learning management systems out there that do not talk to one another, companies often do not do a very good job of tracking education and training accomplishments. If someone goes back to school at night and earns their degree that may never actually make its way into the employee’s record. The same is true with certificates that are earned. Companies have to track different types of

compliance training, but they do not do a great job of tracking beyond that. And if that information is not tracked very well, it contributes to a breakdown in the promotion process.

Lastly, this process can break down if companies do not have clear career pathways in the workplace. Also, it is important for individuals to have a strong sense of their own career goals or the process can break down there as well.

## Employers, Incumbent Workers and Apprenticeship

**Given continuously evolving technologies, changing skill sets, and even job descriptions, how do we utilize apprenticeships and how do we work and engage employers through apprenticeship given these always changing environments?**

If I were talking to an employer in that type of industry, I would not be talking to them about creating their own stand-alone apprenticeship program. I would talk to them about joining an apprenticeship program that is part of a sector strategy effort. The ties to a sector are valuable for several reasons.

In many cases, one employer will not have enough hiring demand to support a program by itself. However, by joining with other employers in the industry, they can create a program that can help meet all of their hiring needs.

Secondly, when a group of employers can join together on a program there are benefits to keeping up with industry standards and innovation. Smaller employers, in particular, do not always have the time to study innovation in the field. But when a well-informed instructor can help monitor industry developments and innovation, they can take what is being learned in each company and teach it across the employer partners to help keep everyone aware of the latest innovations.

*A sector strategy can be beneficial to employers by allowing them to share industry trends, experiences, and guide the development and refinement of programs in a virtuous feedback loop.*

### **Talking about apprenticeship specifically, what questions do you hear from employers about apprenticeship programs?**

When I talk to employers, it is interesting to learn about all of the work-and-learn opportunities that are going on right now but are not actually registered apprenticeship programs. Employers get that the work-and-learn model works, but they do not always understand the difference between what they are doing and what registered apprenticeship programs are. Understanding the value of that program being registered and how that can benefit them is one of the questions I hear. Sometimes they also do not understand the value of working with other employers in their sector and how that can strengthen a program. Employers are often worried about losing trade secrets, and fighting against others to compete for workers. As a result, it is important to help them see the value of working with other employers through a sector strategies approach. That is what they ask about or need help realizing.

### **Speaking of adding incumbent workers in apprenticeship programs, how do you see apprenticeship programs fitting into incumbent worker training formats?**

Apprenticeships are a very effective structure for an incumbent worker upskilling program. Registered apprenticeships are a long-standing, proven model, and now, there is an opportunity to develop new models. There are quite a few examples we can point to.

#### *Incumbent Worker Training Example:*

Hospitals experiencing nursing shortages may take a licensed practical nurse (LPN) and give them education and training so they can move up to be Registered Nurses (RNs).

A great thing about the apprenticeship models is that workers can be earning a wage, and they can be generating revenue for the employers. They can also be developing relationships with clients and making real contributions in the workplace. I am a big proponent of 4-year degrees, but so often people wait four years to take advantage of that and start earning wages. This is such a

tremendous model that is beneficial to everyone because people can start contributing pretty quickly, earning wages right away – the ultimate win-win model.

The other benefit that I will point out is that employers hate making bad hires. It is so costly for them to make a bad hire. Apprenticeship helps them develop workers along the way. It helps employers avoid investing a lot of money in someone who is not able to do the job, someone that is not going to like the work, or is not cut out for the work. It is costly to have a position that is open, have to advertise for it, wait for someone to apply, wait for that person to be able to start, then have to get them up to speed. It is a very costly process.

When there is an ongoing skill need, employers can develop an apprenticeship program around it so they have an ongoing pipeline of talent that can step into the position right away. They know the program graduates are more likely to be a good match. It is a better model in many different ways.

### *Apprenticeship Upskilling Program Advantages:*

1. Proven models
2. Earnings are there from the start
3. Employee contributes to organization from the start
4. Employee fit tested early

### **Is there a lot of support to the idea of work and learn, combining the on-the-job training to the related instruction? Is that a concept that is valued by employers right now?**

Yes, there is definitely support for that. They see this model as a way that they can find workers who are already valued within their organization and help them get additional skills, who can be both working and contributing to the workforce, and who are also learning at the same time. They absolutely get that value. The newer type of apprenticeship programs really could be a great way to open new conversations with employers that are interested in the model but who never went down the road of a registered apprenticeship but may have a similar model within the workplace.

### **In the context of an apprenticeship program, incumbent workers are learning on the job, and are taking some type of related instruction. How can employers support workers to accomplish the related instruction?**

Unfortunately, what is happening in too many incumbent worker training programs is that workers are being asked to work a full shift and then begin learning their new skill. I wish there were more opportunities for people to be learning as part of their paid job. Of course, people enroll in programs because they want a better life and they want to be growing, but for people with family responsibilities, it is a lot to ask. At least in some cases the learning is happening in the workplace so there are not additional commuting requirements, but I would like to see it be more of a shared responsibility. Of course, that is one of the many benefits of an apprenticeship program.

### **You have highlighted companies and your work has been very engaged with employers and identifying upskilling initiatives and components to consider. What is your response to those who believe that employers are not committed enough?**

It is a dangerous trap to lump employers in one group. But I would never make the argument that employers have done enough or that all employers are stepping up to the table and doing enough. There is still far to go. But I am encouraged by the work of employers I am working with and talking to each day.

What I hear from employers I work with is that they truly do understand that their employees are the most important part of the company. I do see some companies that understand the success of their company depends on the skills of their workers and that the company and its employees can both succeed. The success of the company depends on the ability of the workers to do the work in a highly skilled manner

that contributes to the overall economic health of the company which, when done appropriately, benefits the employees.

I was talking to a company not too long ago that is looking for an entire new generation of leaders right now and the types of leaders that can take their company far beyond what it is today. One way they identify these future leaders is they look for people who want to learn. And so, the company is investing in them.

It is conversations like this that encourage me to think that there are employers who get this. There are employers who are willing to invest in their workers. I wish there were more places where this was happening, but there are good examples that we can point to.

**To sum up, there are two sides to this issue. One is that employers have to want to invest in their workers. But part of a successful incumbent worker training is both: the employer creating the environment for upward mobility and being proactive on behalf of themselves in upgrading their skills. One does not work without the other.**

Yes. There have been several surveys in recent years that show that workers are increasingly coming to understand they need to learn in order to be successful and the importance of them investing their time and energy in their own learning and that their careers and the quality of their future work depends on it.

## Training Incumbent Workers During Crisis

**Moving us into the current public health crisis, what do you think are the short- and long-term implications of the pandemic on the corporate responsibility movement?**

That is a difficult question for me to answer for a couple of reasons. The first reason is that we do not know where we are in this horrible situation. Are we still in the first quarter, half-time, into the third quarter, are we entering the end? For this reason, I am going to talk about what employers are saying now. Things could really change later depending on how long this continues to drag on and how significant the economic impact proves to be. The second reason this is difficult is that it is not really possible to talk about employers like they are one group. There are so many variations within an industry and size of company and geographic region, and the cash reserves that the companies have to draw on. All of these things can impact the behavior of companies.

With those things in mind, the employers I am talking with are trying to maintain a connection to their workers even if they have had to furlough them or lay them off. There are all kinds of examples of different steps employers are making to ensure employees are connected and have opportunities to learn while they are on furlough. Companies that believe they will be calling their workers back want to give them the opportunity to learn and grow while they are on leave.

**Given what is really an unknown, short-term slowdown with potential cyclical component due to the pandemic, is apprenticeship an opportunity to look at upskilling differently?**

This has absolutely been a crisis, has it not? It seems like nothing good can possibly come from this, but if anything good can come out of it, it may be that we rethink a number of things about education and training that we might not have considered if things had continued the way they were.

Here we are, several weeks into this crisis in America, and we are already learning a great deal about education, about what works, and what does not work. But it is not just the education system, employers are going to have to be rethinking a lot of things as well. I would love to see new models of working and earning emerge through this.

Institutions are finding they have to be a lot nimbler and more flexible in the way they provide their education and training. Looking forward, more types of education have to move away from being semester-based. And there needs to be more opportunity for people to learn online and the types of online learning have to be more engaging. There are a lot of challenges with that. Again, it is going to take both the employers and the education institutions thinking carefully about what they do and why they do it and trying to find better alternatives in some cases. Both groups have a lot more they could be doing.

## Incumbent Worker Training Resources

**Are there any other resources on upskilling that grantees should explore? Any initiatives that hold promise?**

The Aspen Institute's Upskill America developed an Upskilling Playbook for Employers. It shows all types of models of programs that employers are implementing. Everything from high school completion programs, apprenticeships, college degree programs, certification programs, and incumbent worker training programs. It is both for employers and people who work with employers, to give them a sense of some of the models that are out there, and policies and practices related to those models, and ways that employers might be able to think about incorporating these into their programs.

For those who work with employers, this is a great resource to use to help start conversations with them that can help make them aware of some innovation in the education and training space they might not be aware of.

**RESOURCE:** *The Aspen Institute's [Upskilling Playbook for Employers](#) presents all types of programs employers have been implementing.*

### *Ideas for Working with Employers to Reimagine Apprenticeship and Upskilling:*

1. Increase and maintain employer communication.
2. Commit to thinking differently about work arrangements, instruction, and overall giving people the chance to upskill outside of the box.
3. Innovate!