Jason Altmire (<u>00:05</u>):

Welcome to another edition of Career Education Report. I am Jason Altmire, and today we're going to talk about apprenticeships, a topic that is on the minds of many people who are interested in the workforce and the pipeline of talent in the high demand jobs. And we have someone today who is more well known and more of a thought leader on this issue perhaps than anyone in the country, Dr. Robert Lerman. And he, among other things, got his PhD in economics at MIT, he has affiliations with a number of organizations most prominently the Urban Institute, he's a professor emeritus of economics at American University, he does work with the Institute for Labor Economics in Germany, and he's a founder of the American Institute for Innovative Apprenticeship and he's chair of Apprenticeships for America. So, I can think of no better person to talk about the subject of apprenticeships than Dr. Lerman. Welcome to the show.

Dr. Robert Lerman (<u>01:09</u>):

Thank you very much.

Jason Altmire (01:10):

I wanted to first ask you, based upon your experience, you have decades of writing and thought leadership, not just on apprenticeships, but on workforce issues. You've held positions in the United States Congress, in presidential administrations at the National Academy of Science, Department of Labor. So, I just wanted to ask you, something we talk about on this program quite a bit is the issues facing the workforce development in America and that paradox that exists between the need that has been identified in many high demand professions and the fact that there are still millions of Americans who either unemployed or underemployed or don't feel like they have the right job fit. Where's the disconnect there? Well, what's the biggest issue?

Dr. Robert Lerman (01:58):

Well, the biggest issue is that we have what I would call an academic only approach to skill development. By that I mean after high school almost all the government funding for skill development goes to two year colleges and four year colleges, and then the private sector is left to provide more specific training that's relevant to careers. And for the majority of people, because only 30%to 40% attain a BA degree or an associate's degree, it varies between men and women, with women achieving a higher rate of degree completion. We just have not developed adequate roots to skill development and careers that many other countries have developed, and we've shortchange that.

Dr. Robert Lerman (02:59):

Part of the reason is also that our workforce development system grew up around the time when no one thought we needed a broad human capital initiative, but all they needed something for the least advantaged. And it came out of this notion of a second chance system for people who weren't doing well in the main system, but the main system has a flaw, and that flaw is, as I've described, an overemphasis on academic learning, not enough emphasis on learning by doing and combining the two.

Jason Altmire (03:42):

When you talk about learning by doing, I think we're talking at least in part about apprenticeships, and again, you being a national thought leader on this topic, spending most of your time writing and thinking

about that topic, maybe first start by just defining how you view apprenticeships. What does it mean? Many of us, when we think about apprenticeships, think about union apprenticeships, trade unions and so forth, but the definition goes well beyond that. How do you define apprenticeship?

Dr. Robert Lerman (<u>04:10</u>):

Well, first I always say that apprenticeship, it's a mode of learning that emphasizes learning by doing, but it's a structured program of work-based learning and academic learning that leads to full competency in a profession. The profession might be an accountant or accounting tech, it might be a nurse, it might be a carpenter or an electrician, and it can be almost any occupation. And in fact, the apprenticeship systems in other countries demonstrate that apprenticeship can be allowed by which people learn a wide range of occupations, but apprenticeship is also a job. That's a job that employers pay for. Ideally, apprentices begin working and adding value on day one.

Dr. Robert Lerman (05:08):

Now they don't add the same value as a skilled worker in the profession, they're aiming to learn, but they help in other ways. Ideally, in ways that would require the employer to hire someone else to do that work. And gradually, as they continue working at the organization, they would rise to more and more skilled positions, skilled tasks, and get paid more as they do that. So, that's the overall philosophy.

Jason Altmire (<u>05:45</u>):

There was a program called the Industry Recognized Apprenticeship Program, which you've written a lot about. Can you talk about what that was and how it played out?

Dr. Robert Lerman (05:56):

Well, the origin of it is partly that the US Apprenticeship System is too complex and has a lot of barriers that employers either don't want to deal with or are difficult to deal with, and that's called the registration system.

Dr. Robert Lerman (<u>06:16</u>):

Half the states have their own state apprenticeship agencies where they decide what's going to be registered and what isn't, and the other half resides in the Federal Office of Apprenticeship. Even those applications for registration could take a few months or more. The idea of the industry recognized apprenticeship was to kind of streamline it, allow a number of private entities crediting the agencies and still would be vetted by the labor department, but then once vetted would be able to call what employers are offering industry recognized apprenticeships. The truth is that we have a lot of unregistered apprenticeships anyway that there's no copyright on the word apprenticeship. Employers are free to start a training program that they call it apprenticeship, even if they're not registered officially with the Federal State Office of Apprenticeship. But the mindset has to change in government because the apprenticeship offices sometimes think they're doing the employer a favor by registering them, but in fact, it's the government that's getting the favor that the employer has decided to go with a registered program rather than simply do one on their own.

Dr. Robert Lerman (07:44):

Then what happened was the industry recognized apprenticeship idea became a very big partisan battle in which those who opposed it said that it was going to reduce quality. This is even before it had been tested in any way. It came into the idea of privatization, not having a strong enough government role. And I must say it wasn't defended all that well, but in any event, it became partisan. And not surprisingly, the new administration, the Democratic Administration closed it down.

Jason Altmire (<u>08:25</u>):

I don't want to preempt your answer, but as I recall the discussion on the issue at the time, and then most recently with the new administration, I believe that the unions had a role in that discussion about quality and so forth. Am I right about that?

Dr. Robert Lerman (08:44):

Well, yes, they did. But the places where union apprenticeships predominate, which are in the building trades and even a subpart of the building trades, the industrial and commercial construction trades, these IRAPs, as they were called Industry Recognized Apprenticeship Programs, were not really going to touch those fields. Nonetheless, yes, the unions did oppose IRAPs, but other public policy groups oppose them as well.

Jason Altmire (09:17):

Is it more a matter of the quality argument being an argument about competition for apprenticeship programs that are run by...?

Dr. Robert Lerman (09:27):

Well, I think there was a fear that the IRAPs would call anything an apprenticeship, like something that was maybe only a few months of training and that it might downgrade the whole reputation of what an apprenticeship should be. But as I mentioned, people can do that anyway.

Jason Altmire (09:50):

And you wrote about six months ago a white paper called the State of Apprenticeship in the US a plane for scale, and you offered a number of very instructive opinions in there, one of which was a proposal to improve the quality of apprenticeship programs through the Federal government by introducing measures to assess the skills of the Apprentice Post program along with the series of other recommendations. Can you talk about that one recommendation in particular and why you think it's so important?

Dr. Robert Lerman (<u>10:23</u>):

Right now, we don't have, really, third party assessments of whether the apprentices who went through the program really achieve the skills that are appropriate for that profession. Now, of course, we don't have that in universities either, so it's a lot to ask apprenticeship programs to do what universities don't do. In the UK, they have an organization called the Federation of Awarding Bodies, and those awarding bodies actually provide what be the equivalent of the two-year degree to their further education, college students. And so, they also are in the business of what they call their endpoint assessments. Swiss have them, the Germans have them, and these enhance the reputation of the apprenticeship and serve as a quality control. But we have a deeper problem, which is that the skill standards, we don't

have common skill standards for the occupations. That would mean that you have to have some of these standards against which to measure how well the apprentice meets those standards. If you have standards all over the place, then it becomes much more difficult for the endpoint assessments.

Dr. Robert Lerman (11:48):

Now, I would say one of the advantages for the employer of apprenticeship is that the apprentices learning to be skilled in a particular occupation that is generic occupational skills, but in the context of the establishment of the company's factory or office or business. So, they're learning, let's say in the context of the welding that's done in that organization, or they're learning to be a logistics person in the context of that organization. So, you do want to retain that contextual element, but it would be desirable to have more broad-based skill standards.

Jason Altmire (<u>12:33</u>):

I like the fact that in your writing about this, you talk about how companies could agree to these competency based occupational frameworks in exchange for faster approval of the apprenticeship.

Dr. Robert Lerman (<u>12:47</u>):

Yes. And I'm proposing an idea which I'm calling Safe Harbor approvals because if you did that, you could just send in your registration like you send in a computer registration and just tell the government, this is what you're doing. You're going to follow all the rules that are specified, and if they want to audit you at the end or at any point, they can send out some sample audits. But that would be to me a much better system. I would, because I'm an incrementalist, allow to coincide with the existing system. So, if you wanted to register under the existing system and wait several months, but have maybe a somewhat more tailored still standard. You could do that or you could follow the broader standards and have your approval immediate.

Jason Altmire (13:48):

And you talk a lot about when you think about these competency based occupational frameworks, the reason why it's important just from a data and record keeping perspective and understanding the outcomes and whether it was successful, but you also argue that you can improve the quality and consistency of apprenticeship programs and how different organizations can use those type of frameworks. Can you talk a little bit more about that?

Dr. Robert Lerman (14:16):

If you look at the skill listings that a typical program has specified and gotten approved, it might be eight years old, it might be 10 years old, it might be a very comprehensive list or it might be a shorter list. It happened to have been approved at a particular time. The offices of apprenticeship will seek out advice from other employers, but still they might not be that good at the time. Whereas, if you have an ongoing system of full occupational standard development, you can have both a higher quality and a more standardized system as is done in most other countries with robust apprenticeship programs.

Jason Altmire (<u>15:05</u>):

What countries for those who wanted to learn more do you feel could serve as the best model given the American system and just the inertia of how we've progressed over time, what other countries could we look at to emulate if we move forward with more apprenticeships

Dr. Robert Lerman (15:21):

We have the Swiss and German and Austrian systems that start young and do have industry standards, and actually the wages start quite low. And then we have the UK system. One of the nice things about that is it's in English, and they have what they call the Institute for Apprenticeship and Technical Education. And there you can find, on their website, skill standards for about 500 plus occupations, but there's increasing amounts written about apprenticeship, and come to the Urban Institute website and just Google Urban Institute apprenticeship, and you'll find a lot of things, including about 10 papers evaluating the American Apprenticeship Initiative, which provided funding to 45 grantees around the country to stimulate apprenticeship.

Jason Altmire (<u>16:18</u>):

That's good timing because as we close here, I was going to reference your work at the Urban Institute and recommend that people go to that website and see what you've been up to. I also wanted to highlight, you're the Chair of Apprenticeships for America and you're the founder of American Institute for Innovative Apprenticeship. And just as we close, can you talk a little bit more about how folks could find out information about those organizations?

Dr. Robert Lerman (<u>16:43</u>):

I would say the more active one is Apprenticeships for America. We are a nonprofit. We have a website, apprenticeshipsforamerica.org. We're trying to do three things. We're trying to advocate for apprenticeships at scale. We're building a network of apprenticeship intermediaries, those organizations that work with employers to start programs and organize them. And then we're doing research and policy work as to what kind of research backing examples from other countries can affect and improve our policy.

Jason Altmire (17:22):

That has been Dr. Robert Lerman. Thank you very much for being with us, and most importantly, thank you for the incredible work that you're doing in the area of apprenticeships.

Dr. Robert Lerman (<u>17:33</u>):

Thank you.

Jason Altmire (17:34):

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