

EXPANDING DEIA PROGRAMS THROUGH APPRENTICESHIP

11110

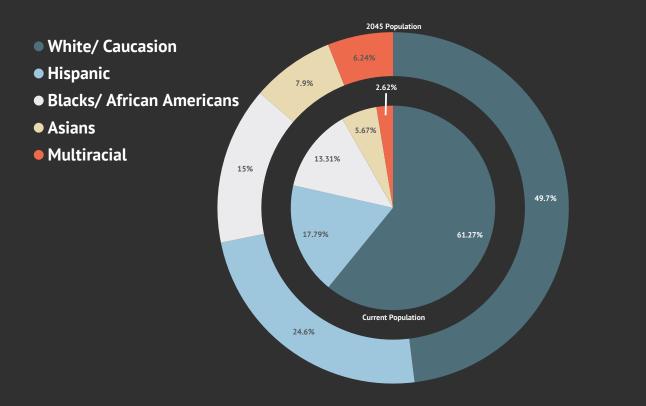
11,

APRIL 2022 An Intelligent Partnerships Publication

A Diversifying Population

While the current population of the United States is predominately White, estimates project that by the year 2045, Whites will make up less than half of the population of the United States (49.7%). Given these changing demographics, the workforce will inevitably follow the same trajectory.

Data provided by the Bureau of Labor and Statistics already points to this, as the Hispanic labor force "tends to be younger and in the prime age working group, 25-54 years old. The median age of Hispanics in the labor force is 38.5, compared with 42.0 for the entire population" (BLS).



In order to continue to grow their workforces, companies will have to make a concerted effort to diversify the demographics of their employees. By proactively addressing these upcoming market shifts through DEIA policies, companies will only benefit from these internal policies, as study after study demonstrates that business benefits from a diversified workforce.

In addition to the bottom-line benefits, with the shifting demographics of the United States, companies that neglect to embrace Diversity, Equity, Inclusion, and Accessibility (DEIA) policies will face an ever-shrinking pool of candidates for employment. Because this model is not sustainable, it is imperative that organizations embrace new and innovative methods to access a sustainable and highly trained workforce.

Source: <u>Brookings</u> Source: <u>Department of Labor</u> Source: <u>Statista</u>

Apprenticeship as a Pathway to Equitable Access

Eliminating traditional barriers to entering the workforce through Apprenticeship is a means to a mutually beneficial relationship for both the Apprentice and the Employer. Aside from increasing the pool of qualified and eligible candidates for employers, Apprenticeship creates a pathway to enter the workforce for populations who are traditionally left behind.

Education

Registered Apprenticeship Programs create an opportunity where Apprentices are simultaneously earning a wage and receiving both on-the-job training and classroom education. This opportunity gives historically disadvantaged populations access to careers that earn a family-sustaining wage without accumulating debt via student loans to access education and/or delaying graduation due to having to work either a full-time or part-time job to afford tuition, fees, room, and board. Because people of color and women are the most affected, Apprenticeship provides an opportunity for these populations to join the workforce through family transforming career access.



Access to College and College-Graduate Wages

Where traditional onramps to careers often include education and require at least an Associate Degree, the cost of college—which is increasing—is a substantial barrier. According to the Urban Institute, 58% of all full-time college students in 2015-2016 worked either a full-time or part-time job. Furthermore, 26% of all college students (both full-time and part-time) worked full-time jobs. Studies have shown that students working full-time often cut back on classes to allow for time to work more hours. This often prolongs the amount of time students spend in college, thereby affecting their lifetime wage earnings and delaying when they begin earning college-graduate wages. Depending on the structure of classes, it could also increase the cost of college. Because Apprenticeship provides an immediate paycheck for the work, Apprentices are able to simultaneously learn through the program's classroom instruction and receive on-the-job training.



While in general, "an extra year of education increases an individual's earnings by 7 to 10 percent and boosts economic growth" (ILEPI), a study by the Illinois Economic Policy Institute finds construction apprentices who successfully complete Registered Apprenticeship Programs earn a comparable "pay as those who attend a four-year university in Illinois." Furthermore, those apprentices who completed a union construction apprenticeship were earning an average of \$40.40 by their mid-careers, while workers with bachelor's degrees were making \$35.28 per hour. This onramp creates an equitable opportunity for underrepresented populations that traditionally experience barriers to high quality careers that earn a family-sustaining wage. Source: Apprenticeship Alternative

The Rising Cost of College

The cost of college has risen dramatically since the 1960s, while the minimum wage has fallen, when accounting for inflation. A typical student attending a public four-year college in the 1960s and 1970s could earn enough to pay for tuition, room, and board, working a job earning federal minimum wage for just 800 hours a year, or an average of just over 15 hours per week. Today's typical college student could not make nearly enough to cover the tuition and fees—let alone tuition, fees, room, and board—at a public four-year college. In fact, the Urban Institute estimates that the earnings a student could earn working 800 hours per year could only pay 27% of tuition, fees, room, and board.

To address the gap, students often turn to financial aid. Those who do not qualify for federal grants must take out federal loans. The average four-year public university student accumulates \$30,030 in loans and 75% of all women undergraduate students accept financial aid. Source: <u>Urban Institute</u>

Student Debt

Graduating college does not guarantee equity. As tuition increases continue, the amount of loans needed to help pay for college increases. Due to college debt, the racial wealth gaps are further exacerbated.

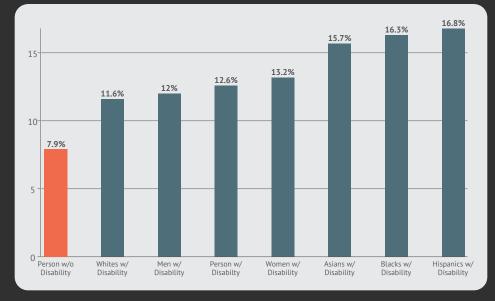
Repayment of these student loans can be crippling for borrowers. While the assumption is that a college degree equips borrowers with the ability to earn a large enough salary to repay the student loans and build wealth, this has been proven untrue. According to Brookings, "loan levels are growing rapidly, and student debt as a share of income is highest—and growing fastest—in the lowest-income areas." There has been a recent movement in the United States calling on the government to forgive student loans. This type of forgiveness would help create an equitable financial situation for those who had to take out student loans to attend college. Source: Forbes

Disabilities

According to the CDC, 26% of all adults in the United States have a disability of some kind. These disabilities range from a variety of types and may affect things like mobility, cognition, hearing, or vision. Historically, people with disabilities are underemployed.

There are several barriers to employment for persons with a disability. According to the Bureau of Labor and Statistics, "in July 2019, almost half of all persons with a disability who were not working reported some type of barrier to employment." In this study, the BLS includes both people with disabilities who are unemployed and not part of the labor force.

Unemployment Rates Among Disabled Persons



Source: Bureau of Labor Statistics Source: U.S. Department of Labor

Education

In 2017, The Hechinger Report, in partnership with the Huffington Post, released a series of articles that focused on the educational inequities that students with special needs face. According to one article, "As of 2016, Louisiana and 23 other states had alternative diploma or certificate options specifically for students with disabilities, each state with its own system." While these alternative diplomas or certificates signify that the student has finished the classes they need to complete their high school program, they usually do not allow students to meet the requirements to attend college. This is despite the fact that "experts estimate that up to 90 percent of students with disabilities are capable of graduating high school fully prepared to tackle college or a career if they receive proper support along the way. Yet, just 65% of special education students graduate on time." Source: Huffington Post



Because of this disregard and disenfranchisement of an entire subset of the population, former students with special needs often do not meet the minimum requirements to entire the workforce in a meaningful way. For students with disabilities affecting their mobility, classrooms are often ill-equipped to accommodate their mobility needs. While the Americans with Disabilities Act mandates accessibility requirements, such as ramps and elevators, classrooms often lack space to accommodate wheelchairs or crutches.

Learning in a space that is not equally accommodating to all students creates an inherently inequitable delivery of education, as the lack of inclusion creates a lack of belonging. According to DeLeon Gray, Ph.D., an associate professor of educational psychology and equity at the North Carolina State College of Education, classrooms that create a sense of belonging foster a more supportive and healthy learning environment.

Source: College of Education News

Training/Prior Work Experience

Another barrier to employment for people with disabilities is a lack of prior or relevant work experience or training. The Kessler Foundation co-published a study in the Journal of Vocational Rehabilitation on the barriers people with disabilities face in seeking employment. This study found that 41.1% of the respondents reported that "not enough education or training" was the largest barrier to employment experienced while seeking work, and only 38.5% of this group was able to overcome this barrier.

Accommodations

Accommodations are cited as a common barrier to employment for people with disabilities. The same Kessler Foundation study surveyed people with disabilities about their current or previous accommodations at work. The most used accommodations were a flexible schedule (28.4%), modified job duties (14%), and building accessibility (13.6%). Information provided by the Job Accommodation Network shows that "most employers report no cost or low cost for accommodating employees with disabilities." Those employers that did report a cost (39% of respondents) stated that the associated cost was less than \$500 to accommodate persons with disabilities.

Assistive Technology is an important element of accommodations for people with disabilities. According to the Center for Disability rights, "the most commonly requested accommodation in the workplace is assistive technology such as adapted computers, hearing aids, wheelchair ramps, speech communication devices, Braille note taking computers, etc."

Source: Kessler Foundation Source: Legislative Council Bureau Source: Center for Disability Rights

Source: Job Accommodation Network Source: United States Bureau of Labor Statistics Source: Institute of Education Science

Biases

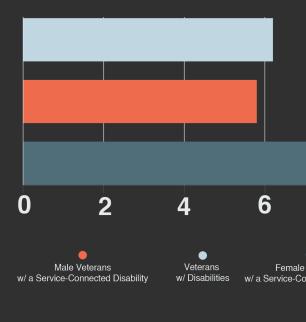
In addition to the aforementioned barriers to employment for people with disabilities, one of the largest and most difficult barriers to address is the biases held by the general public against people with disabilities: "Social barriers also persist, as employers continue to view people with disabilities as being unfit and unable to perform the job (Brostrand, 2006; Schur, et al., 2009). Stigma and negative attitudes of employers toward people with disabilities are major barriers, reported by as many as one-third of people with disabilities (Bureau of Labor Statistics, 2013; Erickson et al., 2014)" (Kessler Foundation, 95).

Source: Kessler Foundation

Veterans with a Disability

Veterans with a disability account for 3.5 million Americans who report having a disability. Of this population, 12.4% report having a service-connected (SC) disability, 10.5% report having an American Community Survey (ACS) disability, which is defined as "a difficulty with one or more of the following: hearing, vision, cognitive, ambulatory, self-care and independent living." Furthermore, 6.7% of disabled veterans report having both an ACS and SC disability. The employment rates among veterans with a disability are much lower than veterans without a disability.

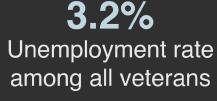
Unemployment Rates Among Veterans with Disabilities



Source: ADA Source: BLS

Source: Bureau of Labor Statistics Source: Military Times





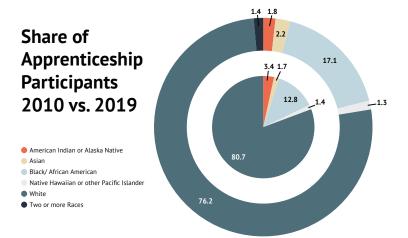


Female Veterans w/ a Service-Connected Disability

8

The Current State of DEIA in Apprenticeship

In a study conducted from 2010 to 2019, the Department of Labor (DOL) found that "apprentices have become more diverse over time," though the DOL admits "there's still more work to be done."



Additionally, the same study found that women only account for 8.5% of all apprentices. However, Hispanic participation in apprenticeships is increasing. While the overall findings of the study are promising, it is apparent that there is more that can be done. By using Registered Apprenticeship Program models to purposely embrace Diversity, Equity, Inclusion, and Accessibility (DEIA) policies, organizations can easily integrate DEIA policies into the everyday function of their companies.

How Can Apprenticeship Help Expand DEIA?

Registered Apprentice Programs provide an onramp for underrepresented populations to multiple sectors. Due to many existing disparities in the United States, such as the Digital Divide, the Education Gap, Occupational Segregation, and the Wealth Gap, careers that earn family-sustaining wages are not traditionally as accessible to historically disenfranchised populations.

Additionally, the requirements Registered Apprenticeship Programs ensure that the application and screening processes are uniform, further leveling the playing field for entry. Once apart of a RAP, the promotion structures involve a combination of progressive learning, merit, and experience.

By instituting objective methods by which to evaluate workers, Registered Apprenticeship Programs eliminate the biasing factors that traditionally create barriers to entry and promotion for workers. This opportunity creates equity those who are part of RAPs and allows for fairness and transparency throughout the process. Using Registered Apprenticeship Programs helps quickly expand the talent pool, empowers a diverse workforce, and creates a pipeline of highly trained and skilled workers.

Why Expand DEIA

There are many proven benefits to expanding DEIA policies and practices within an organization.

Innovation

Diversity in a company leads to diversity in thought. According to Deloitte, "diversity of thinking is a wellspring of creativity, enhancing innovation by about 20 percent." Source: <u>Deloitte</u>

Return on Investment

Inclusivity leads to greater revenue. Research shows that "highly inclusive organizations generate 2.3x more cashflow per employee, 1.4x more revenue, and 120% more likely to hit their financial targets." Source: <u>Greenhouse</u>

Productivity

Diversity is proven to boost productivity, as "Companies benefit most when upper and lower management are both racially diverse, the researchers found. A 1% increase in racial diversity similarity between upper and lower management increases firm productivity by between \$729 and \$1590 per employee per year." Source: <u>Network for Business Sustainability</u>

Improved Market Share

More diverse teams "are 158% more likely to understand their target customers" and "companies that are in the top quartile for racial and ethnic diversity are 35% more likely to have higher financial returns above their respective national industry medians." Source: <u>McKinsey</u> Source: <u>15Five</u>

Enhanced Reputation

72% of Americans say they feel it is more important than ever that the companies they buy from reflect their values, while 86% of consumers say they're likely to purchase from purpose-driven companies. Source: <u>Cone Communications</u>



DIVERSITY, EQUITY, INCLUSION, AND ACCESSIBILITY DEFINITIONS



Diversity

Diversity represents the mix of people within the workplace. Each individual brings unique and diverse attributes to a job including national origin, language, race, color, disability, ethnicity, gender, age, religion, sexual orientation, gender identity, socioeconomic status, veteran status, and family structures. All people are different with varying experiences and backgrounds, thus creating a melting pot of talent valuable to the nation's workforce.



Equity

Equity emphasizes measures to create a fair, just, and impartial treatment of all individuals, regardless of background, gender, race, or sexual orientation. In the workplace, equity demands respect for all individuals and provides the required support for employees to achieve equal standing within their scope of work.



Inclusion

Inclusion creates a work culture that acknowledges diversity and implements inclusive measures to accommodate and respect the differences each employee brings to an organization. Through collaboration, flexibility, and fairness, employees are able to contribute to a company using their full potential. Successful inclusion makes an employee feel like they belong within an organization and add purpose and value to a company.



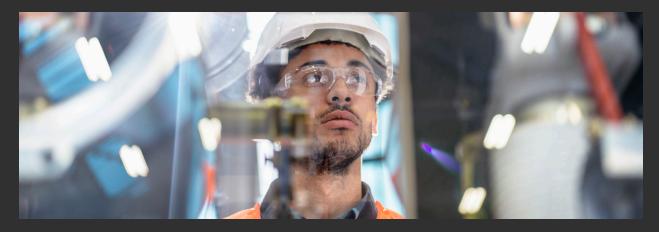
Accessibility

Accessibility refers to creating an accessible workplace that accommodates and includes people of all abilities. Workplace environments that embrace accessibility are committed to hiring people with visible and non-visible disabilities, and they provide equitable access and respect to the wide range of human abilities.

Expand DEIA Through Apprenticeship

Based upon a study conducted by the DOL that surveyed 686,000 apprentices from 2010 to 2019:

- Pacific Islander (-6.4%), and White (-5.6%).
- below)
- 3. Hispanic Apprentice representation is increasing.
- 4. Black Apprentices are less likely to complete a RAP than their White counterparts.
- 5. Women only account for 8.5% of Apprentices from 2010 to 2019 and only 3.5% of Apprentices in Construction. Source: Department of Labor



Bottom Line

Registered Apprenticeship Programs are a largely untapped resource in the United States. With the growing disparities between people and groups, Apprenticeship Utilization is an important tool to rapidly bring well-trained workers into the workforce.

The changing demographics of workers in the United States are an opportunity for employers to embrace a diverse workforce and leverage it for increased market share. Internal DEIA policies have been proven to improve overall business performance, and Apprenticeship is an easy onramp to integrating DEIA policies into a business.

For more information about Apprenticeship, visit <u>ipartnerships.net</u>



1. RAPs are becoming more diverse. Most racial groups increased participation from 2010 to 2019, except American Indian or Alaskan Native (-46.3%), Native Hawaiian or Other

2. The representation of Asian apprentices and apprentices of two or more races is far below the representation of these groups in the overall workforce. (See Figures 1 and 2 in link

Additional Resources from Intelligent Partnerships

Wage Gap Series

The wage gap in America is a problem that affects not only individuals and families, but also local communities and the nation's economy. To learn about how the wage gap-including gender and racial disparities-affects society, check out our Wage Gap eBook series here.



Apprenticeship Series

Registered Apprenticeship Programs (RAPs) are one of the most underutilized tools in the American workplace. With the recent push from the Department of Labor to grow RAPs, now is the perfect time for organizations to join or start a Registered Apprenticeship Program and leverage the support that the government offers through the Office of Apprenticeship and State Apprenticeship Agencies. Check out our Apprenticeship eBook series here.



Website Articles

- What is Pay Equity and How Can It Help Close the Wage Gap Click here
- How Diversity, Equity, Inclusion, and Accessibility Impact the Workforce Click here
- What is Apprenticeship and How Can It Help Your Business Click here
- Acknowledging the Effects of Systemic, Gender, and Racial Wage Gap Click here



This workforce product was funded by a grant awarded by the U.S. Department of Labor (DOL)'s Employment and Training Administration (ETA). The product was created by the recipient and does not necessarily reflect the official position of DOL/ETA. DOL/ETA makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. This product is copyrighted by the institution that created it.



We bring decades of experience helping clients in diversity management, strategic engagement and workforce design. We encourage our partner organizations to prioritize our community's health and safety and remain an available resource. Should you have any questions or need strategic design and implementation support, please feel free to contact our team at: (877) 234-9737 or iPartnerships.net

- **HELPING OUR PARTNERS** Create Value Where Disruption Occurs. PRIORITIZING Innovation Through Collaboration.
- PROVIDING USEFUL TOOLS AND RESOURCES THAT AID IN Solid Decision Making And Measurable Market Impact.
- FACILITATING REAL WORLD APPROACHES TO THE Future of Work.





© 2021 Intelligent Partnerships

Errors & Omissions Liability (E&O): Intelligent Partnerships, Inc. makes no guarantee that the statements, analysis, projections, estimates, graphs, reports, numbers, and any derivatives sourced from this resource are free of errors and omissions. This information is derived from publicly available sources and is intended to provide general information. Users should seek legal expert validation independent of any resources provided here. The information is current as of the published date. Intelligent Partnerships, Inc. assumes no liability for erroneous outcomes derived from this information or its use.

>Intelligent Partnerships™ ACCELERATE THE IMPACT OF INCLUSION™