



NAC Executive Insights

Apprenticeship Programs

Key Points

- **Structured Training and Skill Development:** The importance of hands-on training that equips employees with practical skills directly related to their job roles, fostering proficiency and confidence.
- **Mentorship and Support:** The role of mentorship in apprenticeship programs, where inexperienced employees are paired with seasoned professionals, providing guidance and fostering a sense of belonging.
- **Reduced Turnover and Increased Loyalty:** How investing in apprenticeship programs leads to a strong sense of commitment and loyalty among employees, making them less likely to leave the organization.
- **Examples of Successful Apprenticeship Programs:** Insights into notable apprenticeship programs, such as those by North America's Building Trades Unions (NABTU) and the Home Builders Association of Greater Des Moines, showcasing their effectiveness in training and retention.
- **Impact on Employee Retention:** The overall positive effects of apprenticeship programs on employee retention rates, job satisfaction, and long-term loyalty to the company, supported by survey data and real-world examples.

Introduction

Apprenticeship programs have a profound impact on workforce retention, offering numerous benefits that contribute to higher employee loyalty and reduced turnover. This Executive Insight takes a closer look at some key ways in which apprenticeship programs enhance workforce retention. Specifically, it looks at five key aspects:

1. Structured Training and Skill Development
2. Mentorship and Support
3. Reduced Turnover and Increased Loyalty
4. Examples of Successful Apprenticeship Programs
5. Impact on Employee Retention

1. Structured Training and Skill Development

- **Hands-On Experience:** Apprenticeships provide structured, hands-on training that allows employees to gain practical skills directly related to their job roles. This experiential learning is invaluable in helping individuals become proficient and confident in their work.
- **Career Progression:** Apprenticeships offer clear pathways for career advancement. Employees can see how their hard work and dedication can lead to increased responsibilities and better job prospects within the company. This motivation to grow within the organization contributes to their loyalty.

2. Mentorship and Support

- **Mentorship:** Apprenticeships often pair inexperienced employees with seasoned professionals who serve as mentors. This mentorship fosters a sense of belonging and support, making apprentices feel valued and less likely to seek opportunities elsewhere.
- **Guidance and Feedback:** Regular feedback and guidance from mentors help apprentices improve their skills and performance. This continuous support enhances job satisfaction and commitment to the organization.

3. Reduced Turnover and Increased Loyalty

- **Commitment to the Company:** Employees who have invested time and effort into an apprenticeship are less likely to leave the organization. They develop a sense of commitment and loyalty to the company that invested in their development.
- **Higher Job Satisfaction:** Apprenticeships allow employees to become experts in their roles, leading to higher job satisfaction. Satisfied employees are less likely to entertain offers from other companies.
- **Employee Engagement:** The structured nature of apprenticeships keeps employees engaged in their learning and development. Engaged employees are more likely to stay with a company long-term.

4. Examples of Successful Apprenticeship Programs

- **North America's Building Trades Unions (NABTU):** NABTU operates over 1,900 training centers across the United States, training 71% of construction apprentices. Their programs cover a wide range of trades and are known for their rigorous standards and high graduation rates.
- **Associated Builders and Contractors (ABC):** ABC offers apprenticeship programs through its local chapters, providing training in various trades and emphasizing safety, productivity, and quality. ABC's programs have been successful in attracting and retaining skilled workers in the non-union sector.
- **"Build My Future" Program:** This program by the Home Builders Association of Greater Des Moines exposes high school students to hands-on training in construction trades. It aims to spark interest in construction careers at an early age and create a pipeline of future skilled workers.

5. Impact on Employee Retention

- **Reduced Turnover:** Companies that invest in apprenticeship programs often see reduced turnover rates. For example, a survey by the National Apprenticeship Survey found that 69% of companies reported improved staff retention rates by hiring apprentices.
- **Loyalty and Commitment:** Apprenticeships foster a strong sense of loyalty and commitment among employees. Apprentices who complete their programs often feel a deep sense of gratitude and loyalty to the company that supported their development.
- **Long-Term Retention:** Companies with robust apprenticeship programs often retain employees for longer periods. For instance, many managers at Sam's Club started as hourly associates and progressed through the company's extensive employee development programs.

Summary

Apprenticeship programs are a powerful tool for enhancing workforce retention in the construction industry. By providing structured training, mentorship, and clear career progression paths, these programs foster employee loyalty and reduce turnover. Successful examples from both union and non-union settings demonstrate the positive impact of apprenticeships on workforce retention. As the construction industry continues to evolve, investing in apprenticeship programs will be crucial for building a skilled and committed workforce.

About the Author

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