Introduction

Apprenticeship is a valuable HR strategy that employers like you are using to enhance their business performance. In this document, we highlight the business case for training apprentices and share best practices for recruiting, retaining and mentoring based on strategies and practices employers tell us are successful.

Learn from the experience of your colleagues and take advantage of their tried and tested approaches. Consider how you can adapt their methods to suit your trade and unique environment. Your competitors are embracing apprenticeship as a way to produce their next generation workforce. We invite you to do the same for your business.
What’s In It For My Business?

Effective Recruitment
Skills shortages and the retirement of experienced tradespeople are creating an urgent need to transfer knowledge from one generation to the next, developing the skills and competencies companies need. Apprenticeship is an important recruiting strategy – providing an opportunity to grow the future workforce, sustain the supply of highly skilled workers and pass along know-how critical to the business. Apprenticeship is a proven method of developing future workers, managers and mentors.

Revitalize Your Workforce
“Our industry is an aging industry and we need to revitalize the workforce.”

“If you don’t train the youth, who will do it when you retire? Over 50% of transmission mechanics are over 50 years old. There are so few apprentices in the trade that the new guys will demand $90 an hour because no one else can do the work.”
Develop Future Leaders
Apprentices become the core workforce and are positioned to be future leaders and managers at their company. Among employers who hire journeypersons, 58% reported their journeypersons had completed at least part of their apprenticeship training with them, indicating high rates of retention among trainees.

Reduce Turnover
Turnover is a real concern for employers, who worry their investment in the skills of their employees might be lost to competitors. Rather than a return on their investment, these employers fear the additional burden of recruiting and training replacements.

Employers who hire apprentices argue a commitment to employee learning and career progression helps them become an “employer of choice,” facilitating recruitment and retention at their companies. Investing in apprentices can ensure you have loyal employees who are committed to the organization. Another benefit of hiring apprentices, particularly young people, is an enhanced reputation in the community, driving increased business.

Is Your Company Ready to Attract Top Talent?
Canada is in a global competition for young talent, requiring employers to consider what it takes to attract the best candidates. Apprentices tell us they’re looking for:

- **69%** a journeyperson who is willing to teach me
- **55%** opportunities for career advancement
- **50%** a positive work environment
- **43%** a wide variety of work experiences

Build Your Workforce from the Ground Up

“I would suggest that the future of any industry depends on apprenticeship because I know in our trade one of our problems is a lack of trained tradespeople. We’ve fallen behind in training apprentices and have an aging workforce.”

“If I don’t bring on apprentices, there is nobody to hire. To keep the company going forward, I have to keep on training the talent.”

“If you get them from day one, they will stick with you and be loyal to you. It’s a great way to hire staff. Most [employees] have been here 10-15 years and started from day one.”
Employees Trained to Your Needs

Employers want highly skilled workers with the right attitude and a commitment to the company’s success. Who better than a journeyperson trained right in the company? In fact, employers cite “a better fit with the organization” as the most significant benefit of employing a journeyperson they trained as an apprentice. By developing an employee from the ground up, companies create workers with trade skills, as well as company-specific knowledge about the systems, culture, customers and processes that make the business tick. Employers share, in their own words, the value of developing their own employees:

"Apprenticeship is a chance to shape and mold employees when they start. They are a better fit with the culture of the organization when you have homegrown talent. There are major economic drivers for apprenticeship and good economic returns for hiring."

"Apprenticeship has value because it is the preferred and only method for training journeypersons. The industry is going through a lot of change and apprentices are more flexible and willing to adapt to the changing environment. For our industry to be sustainable, we need to ensure that we have access to the best skilled tradespeople available and our experience has been that there is no better way of ensuring this than to develop an individual through the apprenticeship program."

Myth: Youth aren’t interested in skilled trades careers

Reality: In surveys of youth, they tell us they are open to opportunities. In 2013, 42% of youth said they would consider pursuing a career in the skilled trades, compared to 29% in 2004. In 2013, almost 40% of students had considered pursuing a career in the trades in the past year, compared to 22% in 2004.

What to do: Consider participating in a career day or giving a presentation at the local high school to share information about your trade and highlight opportunities in your sector.
More Productive Workforce

As apprentices progress in their programs, they make an increasing contribution to their workplaces, with the benefits outpacing investment in most trades by the end of the second year.

Journeypersons trained as apprentices often go on to become the company’s most productive team members. More than 60% of employers consider a journeyperson they trained as an apprentice more productive than an external hire, estimating the homegrown journeyperson is 29% more productive.

Attract New Opportunities

Increasingly, governments are considering apprenticeship in their procurement policies, requiring some level of involvement in apprenticeship training from their contractors. In much the same way as an apprenticeship program can enhance your reputation in the community, it may attract additional business or offer new opportunities to your company.

Workforce Prepared for Technological Change

The use of increasingly sophisticated equipment makes learning new skills, training on digital technology and ability to solve problems imperative. Not only are they open to learning, but young apprentices are often more comfortable with and aware of new technology. This makes apprentices a tremendous asset to journeypersons on your team.

Skilled trades employers increasingly identify the need to integrate new technology in their workplace. Forty-five per cent offer essential skills training. Adapting to new work processes, working with others, problem-solving and using digital technology consistently rank among the top three skills across trades and sectors. Employers want to ensure their employees are able to:

- 32% learn new skills and adapt to new work processes
- 25% think independently to solve problems
- 25% work with digital technology

Competition for skilled trades work is increasingly global in nature. Canadian employers need to work together to build and maintain a highly skilled workforce that is prepared for technological change.
What About the Cost?

Many employers think of training their employees as a cost rather than an investment. CAF-FCA has studied the return on training investment for small, medium and large employers in different trades, various sectors and across the country. Skilled trades employers that consider training an important HR strategy have shared financial information and their insights about the value of a learning culture in their businesses.

Financial Benefits Outweigh Costs

Employers who hire apprentices report financial benefits. For every dollar invested, employers receive an average return of a $1.47 within the scope of the apprenticeship. The net benefit ranges, depending on the trade, from $39,524 for cooks to $245,264 for heavy duty equipment mechanics.

Employers identify wages, journeyperson time training, wastage (time and materials in the event of a mistake), registration fees/tuition and administration fees as the primary costs. When taken against their workplace contributions and charge-out rates, the fact that apprentices earn a lower wage results in financial benefits for the employer, often by the end of the second year. As an apprentice’s wages go up, so too does their productivity and the revenue they generate.

In a detailed analysis of three trades (automotive service technician, construction electrician and refrigeration and air conditioning mechanic), returns existed in all regions across Canada and for companies of all sizes.

A variety of tax credits, wage subsides and grants are available to employers who hire apprentices. Check www.caf-fca.org or your jurisdictional apprenticeship authority website for more information.

For every dollar invested in an apprentice, employers receive an average return of a $1.47.
# Total Per Apprentice Costs and Benefits by Trade

<table>
<thead>
<tr>
<th>TRADE</th>
<th>DURATION OF APPRENTICESHIP (YEARS)</th>
<th>COSTS ($)</th>
<th>BENEFITS ($)</th>
<th>NET BENEFITS ($)</th>
<th>BENEFIT-COST RATIO</th>
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<tbody>
<tr>
<td>Automotive Service Technician</td>
<td>4</td>
<td>250,016</td>
<td>423,138</td>
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<td>Construction Electrician</td>
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<td>Construction Millwright and Industrial Mechanic</td>
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<td>Cook</td>
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<td>Electrical Power Line and Cable Worker</td>
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<td>319,759</td>
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<td>Refrigeration and Air Conditioning Mechanic</td>
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<td><strong>AVERAGE</strong></td>
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<td><strong>220,242</strong></td>
<td><strong>330,371</strong></td>
<td><strong>110,128</strong></td>
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## Profitability

Companies that hire apprentices perform well when compared to those who do not hire apprentices, yielding higher sales revenue and profits.

<table>
<thead>
<tr>
<th></th>
<th>EMPLOY APPRENTICES</th>
<th>DO NOT EMPLOY APPRENTICES</th>
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</thead>
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<tr>
<td>Average Sales (Revenue) ($)</td>
<td>7,511,803</td>
<td>4,371,154</td>
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<tr>
<td>Average Payroll Expense ($)</td>
<td>1,463,627</td>
<td>862,962</td>
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<tr>
<td>Average Total Expense ($)</td>
<td>1,738,868</td>
<td>1,032,255</td>
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<tr>
<td>Average Profit ($)</td>
<td>5,772,935</td>
<td>3,338,899</td>
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</table>
Financial Benefits of Essential Skills Training

Employers also report positive financial benefits from their formal essential skills programs for tradespeople, indicating the value of ongoing skills development and workplace training in the skilled trades environment. A formal essential skills program is separate from apprenticeship training or informal training, typically taking place in a classroom.

The costs related to essential skills training were tuition for learners, wages for instructors and paying for employee wages while on training (median $1,125). Increased work rates, reduced downtime, fewer errors and less wastage were the primary benefits noted by employers (median $4,071). When thinking about their essential skills training, most employers report making significant gains (62%), modest gains (13%) or breaking even (5%).

Employers (53%) observed additional benefits associated with formal essential skills training, the top five of which are:

- **26%** facilitated other training
- **26%** increased company retention
- **23%** new processes innovated
- **19%** reduced labour turnover
- **18%** increased brand image as a market leader

When employers assigned a dollar value to these benefits, the median value was highest for increased brand image as a market leader ($1,786), reduced labour turnover ($1,667) and increased customer retention ($1,339).
Recruiting Apprentices

In our work with employers, we often hear they would hire apprentices given the opportunity. Rather than waiting for prospective apprentices to approach you about a job, active employers provide the following advice for those interested in finding new hires:

**Connect with Programs in the Community**

Employers can connect with prospective apprentices through pre-apprenticeship, youth apprenticeship and/or co-op/diploma programs. While every jurisdiction’s programs are slightly different, this is a great way to find young people who have already begun to explore opportunities in the skilled trades.

Coordinators who administer youth apprenticeship programs often support employers by completing paperwork and ensuring there’s a good fit between employer and apprentice. Joint employer/union initiatives and local apprenticeship committees might also have a role to play when it comes to identifying candidates and offering training in foundational skills, doing much of the groundwork for employers looking to connect with apprentices. Many local colleges offer pre-apprenticeship, co-op and/or diploma programs, with students actively seeking employment upon graduation.

**Web-based Services**

Web-based job boards are another option available to employers wishing to connect with apprentices. When using these services, employers specify their requirements and a search produces a list of candidates with the required skill sets. Consider web-based services targeted to the skilled trades, as these may be more useful than generic job boards.
The apprentice will also benefit from learning about the company history and corporate mission. Use this opportunity to review relevant apprenticeship policies and guidelines, as well as roles, responsibilities and expectations. Apprentices say they value knowing what opportunities exist to move up in the company and this can motivate a stronger commitment to training.

Orientation sessions have a number of additional benefits for both the employer and apprentice. Apprentices begin to absorb company culture early, including how to listen to and learn from experienced staff. This can be an opportunity to match apprentices with coaches or mentors, who have their own set of expectations. Apprentices who know where to go with questions or problems experience less frustration, and the company can deal with issues early.

Evaluate Performance
A majority of employers speak to the value of planning training and conducting regular performance evaluations. This may start with something as simple as a clear job description. When an apprentice understands what’s expected of them, they are more likely to be successful. By checking in with both the apprentice and mentor, employers can establish progress toward the mastery of key competencies and ensure the apprentice remains challenged with new tasks.

Review Recruiting Practices
Employers suggest an internal review process to re-assess recruiting practices on a regular basis. By monitoring success, employers can determine which recruitment techniques work best for their companies. Weaknesses may also be evident if recruitment doesn’t attract a diverse pool of applicants. Conducting exit interviews may provide insight into areas for improvement.

Once you have identified candidates, take the time to establish procedures that support the best possible outcomes:

Assess Candidates
Spending time to assess apprentice candidates is a worthwhile investment. This is an opportunity to identify strengths and weaknesses that will inform your workplace training and establish whether upgrading is needed. Online assessments are available, though employers suggest they should be used only in combination with a face-to-face meeting.

Conduct Orientation
Most employers have an orientation process to introduce apprentices to their company. The time devoted to orientation can range from a couple of hours to a few days, but this is a great opportunity to discuss safety, standards, hazards, processes, tool requirements, attire and performance expectations.
Retaining Apprentices

One of the most common reasons for failing to train an apprentice is fear they will leave once certified. Though advocates of apprenticeship training often speak to the loyalty among their apprentices, these same employers consider retention strategies an important part of keeping their staff engaged.

Key principles of retention include:

• Respect
• Understanding the company’s values
• Being a part of a team
• Two-way communication
• Providing a variety of work
• Emphasizing life-long learning
• Hands-on training opportunities
• Vision of advancement within the company

Employers also mention incentives to retain apprentices, such as covering the cost of additional courses, topping up employment insurance during technical training and offering free tutoring. They offer these insights:

“We encourage our apprentice to be confident in what [he/she] knows and to ask lots of questions. There is no shame in asking lots of questions and to say if you don’t think something is working or is wrong.”

“Inspire apprentices to take classes. It is an always-evolving industry where constant education is needed for formal training, leadership, First Aid and learning to motivate different individuals.”

“Employers need to ensure employees have a high level of training to ensure both safety and professionalism. Training and professionalism are critical to success.”
Myth: Apprentices will leave once trained

Reality: Employers say if you have a high-quality training program, apprentices will want to stay. Many employers identify the individuals they trained as apprentices as the backbone of their companies and their most loyal employees.

Do you have a workplace that retains top talent?

Apprentices were asked what, other than offering competitive wages and consistent work, would encourage them to stay with an employer. They said:

- **42%** a positive work environment
- **41%** quality training from journeypersons
- **36%** wide variety of work experiences
- **32%** a career path in the company
Mentoring Best Practices

A crucial element to effective apprentice retention is mentoring. At its core, effective mentoring is about making a commitment to provide meaningful training experiences for apprentices. Employers and others within the apprenticeship community offer these tips and strategies:

Select the Right Mentors

One of the most important apprenticeship decisions an employer makes is selecting the right journeyperson mentor, a role that requires skill beyond technical competence. As a starting point, ask supervisors and shop stewards about who would be a good fit for this role. Look for these key traits:

- Leadership skills
- A positive attitude
- Ability to communicate effectively
- Openness to working with younger people
- Willingness to cope with time constraints
- Ability to manage the workload

Mentors should have the ability to teach. They need to both show the apprentice how to do things and explain why. The apprentice needs to truly understand the concepts behind the work to solve problems on their own in the future. Success is based largely on the mentor’s ability to communicate and support knowledge transfer.

Throughout the stages of an apprenticeship, journeypersons must know when to provide intense support and when to let the apprentice practice their skills and learn from their mistakes. A first-year apprentice, for example, needs a lot of guidance to build their skills and confidence level. An upper-level apprentice needs more opportunities to practice their skills.
Most employers (81%) believe their journeypersons benefit from training an apprentice. Employers remark that the apprentice mentoring process renews and revitalizes journeypersons, enhancing productivity and safety as mentors strive to model good work practices.

**Offer Mentorship Training**

Once a mentor is selected, consider offering training to support the role. Employers indicate the success of the journeyperson-apprentice relationship often rests on a mentor’s application of the principles of facilitation, leadership, communication, motivation, human rights and rules of the trade.

During the training, it is a good idea to ensure the journeyperson understands which skills they should be covering and when. Mentorship training often provides instruction on how to use training manuals, as well as procedures for reviewing and signing off on log books.

Mentorship training is also an opportunity to learn assessment techniques, including written assessments, demonstration of skills and observation. Giving journeypersons insights into how to facilitate structured discussions is useful to overcoming struggles to explain difficult tasks or provide critical feedback.

When it comes to mentorship training, courses are beneficial when journeypersons are first selected, but refresher courses can also be helpful to remind mentors of key concepts and principles over time. Some employers also implement internal supports for their mentors, giving them other journeypersons to consult for advice or assistance when it comes to teaching a difficult task or overcoming a challenge.

**Create a Training Plan**

Employers say journeyperson mentors benefit from structure around apprenticeship training. There are a variety of ways this can be accomplished:

- **Training Plans:**
  - A training plan lists skills to be developed, work tasks required to develop those skills, a schedule for completing the tasks and a plan to monitor progress
  - By identifying learning objectives and outcomes, journeyperson mentors provide apprentices with on-the-job training aligned with the trade and provincial/territorial standards

- **Skills Checklists:**
  - Skills checklists can serve as a benchmarking tool for journeypersons to assess the apprentice’s strengths and weaknesses as they move through the various levels of the program

Once developed, the training plan or checklist can be shared to ensure both the mentor and apprentice are clear about training objectives and tasks. Employers agree it is important to implement the plan and monitor progress throughout training.
Ensure Variety of Work Experiences

Employers and mentors are responsible for ensuring apprentices are exposed to a number of tasks and develop a variety of skills. One way employers do this is work rotation, moving apprentices among departments and journeypersons to ensure a breadth of experience and exposure to different teaching styles and techniques. To keep track of what apprentices are learning, one employer requires them to document their work days in journals. The journals provide each onsite journeyperson with a written account of tasks the apprentice has performed and where additional practice is required.

Field Assignments:
- One employer gives out field assignments that outline specific tasks and/or scenarios that must be completed by apprentices and assessed by their mentors in the field. The field assignments provide apprentices with the opportunity to practice particular skills and are linked to specific learning objectives in the training plan.
- The journeyperson assessing performance is able to provide immediate feedback on the specific tasks in the assignment.
- Testing can be done later to determine retention and identify gaps in knowledge to be addressed in subsequent training.

Quarterly Evaluation Forms:
- Another employer reported a process to evaluate apprentices quarterly based on observation and skills demonstrations with the journeyperson.
- Evaluation forms identify whether the skills “need improvement” or are “satisfactory” in relation to the training schedule.
- Skills evaluated go beyond technical and include safety practices, communication skills, work ethic and job planning.
- Journeypersons are able to describe the tasks covered in the quarter and explain any “needs improvement” ratings.
- The forms are signed by the supervisor and the apprentice.

Provide Journeypersons with Tools to Evaluate Performance

Establishing criteria and a schedule for formal performance evaluation is a best practice that helps journeypersons assess whether apprentices are learning at the required level. Employers have various ways of implementing evaluations:
Ongoing Reviews and Skills Demonstrations:

- One employer suggests more rigorous assessment in the first year. In the first six months of training, apprentices are assessed monthly by the apprenticeship program supervisor. They are assessed every two months for the remaining six months.
- During assessments, apprentices demonstrate skills and their progress is evaluated.
- Apprenticeship coordinators routinely interact with apprentices in the workplace and provide targeted feedback on tasks that need to be improved.
- In subsequent years, operational supervisors conduct bi-monthly reviews with each apprentice.
- After the third and fourth year of training, a gap analysis is conducted based on the trade tasks and field observation findings. This analysis identifies areas where more practice or instruction is required. Depending on the needs identified, apprentices may repeat training for specific tasks, be assigned to jobs that meet the requirements or complete refresher training courses.
- Gap analyses help ensure apprentices have a wide range of competencies and are prepared to write their examinations.

Online Forms:

- In one case, an online form is used daily to identify tasks performed.
- For each task, evidence related to the task (e.g. photo, drawing, document) can be uploaded.
- As the form is completed, it becomes a collection of an individual’s unique “work story.”
- In addition to what the apprentice provides, a section of the form allows the journeyperson to rate the individual’s performance on each task. Comments from both the apprentice and mentor can be compared and used to inform performance discussions.

Mentoring Meeting Record:

- One employer encourages their journeyperson mentors to conduct meetings with their apprentices on a weekly basis.
- The employer provides journeypersons with a “Mentoring Meeting Record” that summarizes the key points of the meetings and highlights action items.
- The record is signed by the mentors and apprentices to hold both accountable to the action items.

Log Books or Blue Books:

- As a part of the evaluation process, employers also identify the importance of log books (sometimes called task or blue books) issued by the apprenticeship authority. These books contain a record of the apprentice’s progress toward the requirements of each level of training.
Next Steps

Employers report many benefits to hiring and training apprentices. An aging workforce and constantly changing technology means employers need to be proactive in meeting their skills needs. Apprenticeship, quite simply, offers a competitive advantage.

To find more information about programs, services and financial supports for apprenticeship training in your region, contact your local apprenticeship office or explore our website at [www.caf-fca.org](http://www.caf-fca.org).

Ready for the next step? We have developed practical worksheets to help you think through the details of your apprenticeship program. Check out the Employer Toolkit.
Additional Resources

Want to learn more? CAF-FCA has interviewed and surveyed thousands of employers in various trades and regions to gather the experiences and perspectives of skilled trades employers. Access reports and resources at www.caf-fca.org.

The information in this document was drawn from the following reports:

7. Recruiting Apprentices in Canada (2013)
8. Recruiting and Retaining Apprentices: A Summary of Employers’ and Apprentices’ Perspectives (2011)
10. The Impact of Technology on Apprenticeship Training in Canada (2013)