

THE CASE FOR YOUTH APPRENTICESHIP IN INDIANA

Indiana faces a supply-and-demand challenge when it comes to workforce development. On the supply side, fewer students are enrolling in and completing education after high school, which has led to too few workers with the skills and credentials needed to fill open positions. This exacerbates employer demand for talent at a time when businesses already struggle to find qualified workers, resulting in unfilled jobs.

It's not just employers who are suffering. Without sufficient education, be it specialized training or a college degree, too many individuals are locked out of opportunities to achieve their full potential and qualify for good-paying jobs. Black and Latino Hoosiers, who enroll in and complete post-high-school education at lower rates than their white peers, as well as low-income Hoosiers, experience these disparities most acutely.

Youth apprenticeship programs can help address these challenges. These types of apprenticeships, which match high school students to paid, hands-on experience in a variety of industries, can provide students mentorship opportunities, career exposure, recognized postsecondary credentials and college credit, while simultaneously building a pipeline of skilled talent for employers.

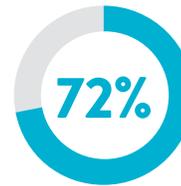
The Richard M. Fairbanks Foundation supports youth apprenticeship programs because they provide an entry point to good and promising jobs and build a pipeline of next-generation talent. They offer an alternative path to going straight from high school to college and also have the potential to boost college enrollment and graduation rates because of the students' exposure to career opportunities and college credit. Finally, these types of programs help address racial disparities in the workplace.



of high schoolers in Indiana **enrolled in college** in 2020, down from 65% in 2015. Just **43% of Black high schoolers** and **44% of Hispanic or Latino high schoolers** enrolled in college in 2020.¹



of high school students in the 2012-2013 cohort graduated from Indiana's public postsecondary institutions **within six years**.²



of employers surveyed in Indiana in 2021 said **the supply of job applicants does not meet their needs**, up from 50% in 2020.³



of Indiana employers **left jobs unfilled** in 2021, up from 45% in 2020.⁴



is the **unemployment rate** in Indiana among those **with a bachelor's degree and up**, compared to 4.4% for those with only a high school diploma.⁵

BENEFITS OF YOUTH APPRENTICESHIP

STUDENTS GAIN:

- Paid, hands-on experience in their field of interest
- Industry mentorship to support their career goals
- An industry-recognized credential
- College credit to offset the cost of a degree

EMPLOYERS GAIN:

- Support meeting their immediate staffing needs
- The opportunity to develop a pipeline of diverse workers and loyal, long-term talent

HIGH SCHOOLS GAIN:

- Business partnerships to enhance learning and networking opportunities for students
- Help with meeting the state's high school graduation requirements
- Greater incentives for students to attend their school

¹ Indiana Commission for Higher Education College Readiness Report, 2022. <https://www.in.gov/che/college-readiness-reports/>

² Racial Gaps in the Education-to-Workforce Pipeline and Indiana's Opportunity to Close Them. https://businessequityindy.com/wp-content/uploads/2021/11/BEI_Taskforce_Report_11.08.21_FINAL.pdf

³ 2021 Indiana Chamber Employer Workforce Survey. <https://www.indianachamber.com/wp-content/uploads/2021/09/2021-employer-survey-FINAL.pdf>

⁴ 2021 Indiana Chamber Employer Workforce Survey. <https://www.indianachamber.com/wp-content/uploads/2021/09/2021-employer-survey-FINAL.pdf>

⁵ Indiana Commission for Higher Education College Readiness Report, 2022. <https://www.in.gov/che/college-readiness-reports/>

DEVELOPING AND EXPANDING INDIANAPOLIS' YOUTH APPRENTICESHIP PROGRAM

The planning process for the Modern Apprenticeship program began in 2016 and continued through 2019, with more than \$700,000 in support from the Richard M. Fairbanks Foundation. Early on, the planning team determined a sustainable youth apprenticeship program would require support and collaboration not just from government, but also from employers, the private sector, community and non-profit organizations, and philanthropy. Rather than creating a single statewide intermediary, leaders determined that launching coordinated local pilots would help establish the program across the state's diverse regions.

Drawing from best practices in the U.S. and abroad, and with an additional \$3 million in support from the Foundation, two non-profit organizations – Ascend Indiana and EmployIndy – launched Modern Apprenticeship in 2020. The program, which currently has more than 70 participants with plans to expand to include hundreds more, enables high school juniors and seniors to get a jump-start on their careers while completing their high

school education and earning industry-recognized credentials and college credit. Also in 2020, a statewide Community of Practice was established to identify and address policy barriers to the adoption of youth apprenticeships, while also enabling local and regional leaders to build these types of programs across the state.

Along with Indianapolis' program, there is a youth apprenticeship initiative in Elkhart, and three other pilots are in development in Evansville, Hamilton County and Southwest Indiana. And, with a new \$6 million grant from the Richard M. Fairbanks Foundation, Ascend Indiana and EmployIndy are expanding Modern Apprenticeship to reach 360 Indianapolis students over three years starting in 2022.

Those engaged in the youth apprenticeship movement would like to see it embraced in communities across the state as a mainstream pathway for growing Indiana's talent pipeline and providing high school students with tangible work experience coupled with postsecondary credits and credentials as a launching pad to opportunity.

ECONOMIC IMPACT OF MODERN APPRENTICESHIP

Modern Apprentices earn between

\$38,700 AND \$66,500

in wages over the course of their experience, plus additional funding for related technical instruction.



Modern Apprentices will earn between

\$400,000 AND \$1 MILLION

more over their careers when compared to their peers with only a high school diploma.⁶



Over the next 10 years, **5,000** Modern Apprentices are projected to be placed across Marion County.

Over the next three years, the apprentices in all cohorts are expected to contribute between

\$98 MILLION AND \$273 MILLION

more to the economy than if they only had a high school degree.⁷



For every \$1 invested in an apprentice, employers realize

\$1.42 in value,

according to studies from Germany and Switzerland.



⁶ Indiana Commission for Higher Education College Value Report, 2020. https://www.in.gov/che/files/2020_College_Value_Report_04_01_2020_pages.pdf

⁷ Indiana Commission for Higher Education College Value Report, 2020. https://www.in.gov/che/files/2020_College_Value_Report_04_01_2020_pages.pdf