



RETURN ON INVESTMENT BASED ON EVIDENCE

INTRO



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Benefits and Costs

Roadmap of Apprenticeship

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THE BENEFITS AND COSTS OF APPRENTICESHIP

Roadmap for Measurement



Benefits

- ❖ **Customized training**
- ❖ **Increased knowledge** transfer through on-the-job learning from an experienced mentor, combined with education courses to support work-based learning
- ❖ **Enhanced employee retention:** 91% of apprentices that complete an apprenticeship are still employed nine months later

Benefits

- ❖ **A safer workplace** that may reduce worker compensation costs, due to the program's emphasis on safety training
- ❖ **A stable and reliable pipeline** of qualified workers
- ❖ **A systematic approach to training** that ensures employees are trained and certified to produce at the highest skill levels required for the occupation

- ❖ The 2016 Case Western Reserve Report compared 13 businesses from a variety of industry sectors
- ❖ What motivated them to create apprenticeships? What are the costs and benefits? And if not apprenticeships, how else would they fill their workforce needs?

Costs

- ❖ Cost range from 25K-250K
- ❖ Compensation costs
- ❖ Mentors time
- ❖ Overhead
- ❖ Longest Program: 4 years
- ❖ Shortest Program: 1 year
- ❖ Our 1 year program with the OJT contract, employer cost was minimal



Dartmouth-Hitchcock MA Program

- ❖ Apprenticeship to help major expansion and re-organization
- ❖ Cost: \$59,700 per Medical Assistant (MA)
- ❖ Benefit: OT reduction \$48,000 per year, and \$7,000 per apprentice in increased revenue from medical appointment bookings

Dartmouth-Hitchcock MA Program

- ❖ The program nearly paid for itself within the first year and had an internal rate of return of at least 40%
- ❖ Staff reducing the long-term use of overtime helped relieve staff burnout and turnover
- ❖ Quality of care was at least as high after the MA apprentices were introduced

Dartmouth-Hitchcock MA Program

- ❖ Average cost per apprentice is \$59,000
70% - wages and benefits that would also to be paid to some one who is hired to non apprentice
- ❖ Second highest cost 15% - Training(curriculum development, recruitment, instructor, books, uniform, classroom)
- ❖ Overhead 2%
- ❖ Note Experienced candidates are not readily available in the job market

Dartmouth-Hitchcock MA Program

- ❖ Benefits: Reduced Overtime: before the apprenticeship program, DT paid overtime to MA , %36 an hr in labor cost. Cost savings \$24 an hr
- ❖ Reduced Physician turnover: Apprenticeship program helped to implement team based care model, balanced provider –MA ratio, cost of replacing a physician is \$250,000 (4 apprentice training cost)
- ❖ Increased primary care appointments booked – increased revenue 760 hrs per month higher, reduced waiting period.

Performance Metrics

The benefit of an apprenticeship, which is often referred to as “earn and learn,” can be measured using three types of metrics:

- **Production**
- **Workforce**
- **Soft skills**

Video – CHW program

<http://www.njtvonline.org/news/video/apprenticeship-program-helps-new-jerseyans-find-jobs/>

Thank you!

Any questions?