

The Adams Earn & Learn Program: Executive Summary

Introduction: More than half of companies around the world cannot find the skills they are looking for almost double what it was a decade ago. As the pace of technological disruption, digitization and automation continues to accelerate, most employers globally are increasing or maintaining, not reducing their headcount. And as skills, needs and job roles are changing faster than ever, the need for a new, radical approach to education and workforce development is rapidly developing into the most pressing economic challenge of our time.

Further, the Amarillo-metro area continues to struggle to find the talent with skills necessary to help area employers maintain production capacity and workforce demands. In 2018, the Amarillo labor market grew only 0.8%, even though the population grew at 4.5%. Accelerating the talent crunch in the Amarillo area is the outmigration of talent. In 2017, 1,840 net residents left the area for larger Texas cities.

Those residents that remain in Amarillo have an educational attainment rate lower than other benchmark cities. Only 9% of Amarillo residents have an Associate's Degree, and only 24.5% have a Bachelor's degree or higher. As industries continue to evolve and become more and more technologically focused, the need to address the skills gap becomes even more critical.

Program and Opportunity: Beginning in January 2021, Amarillo College will launch the first cohort of the Adams Earn & Learn Program, a robust work-based, competency focused workforce development initiative aiming to address the economic issues facing our region's employers and workforce.

Work-based learning at its best integrates academic learning with real-world application to provide paths to educational and career advancement and build the talent pipeline. When done well, work-based learning—like internships and apprenticeships—rapidly equip employees with the skills and experiences they need to do their jobs better. Moreover, work-based learning helps employers deliver concrete business benefits like improved productivity and quality, increased innovation, higher levels of employee engagement and expanded talent pipelines for positions with high turnover or scarcity of talent.¹

Data and Trends: <u>Employers:</u> According to the Bureau of Labor and Statistics, U.S. businesses will need to fill 18.7 million job openings by 2026. Unfortunately, most current training and educational models cannot fill this demand, nor are they prepared to train the ever-evolving skills necessary for tomorrow's "new collar" jobs.

Dollar for dollar, no workforce training method packs as much punch as apprenticeship. Every federal dollar invested in apprenticeship programs brings a \$27 return on investment.² Broken down to more detail, for every \$1 spent by an employer on work-based learning, the company will recognize a \$1.47 return.³

<u>Candidates</u>: As of June 2019, Experian Credit reported that the average Texan has over \$32,000 in student-loan burden. More than 54% of all four-year college students in Texas stated that they had applied for student loans to complete their education. The Adams Earn & Learn Program model provides a direct pathway to mastery of a trade without the burden of high tuition fees and student loan debt. Additionally, nine out of ten students that complete a work-based learning program are employed immediately upon finishing their training, at an average starting salary of around \$50,000 a year, and those who complete apprenticeships earn \$300,000 more over the course of a career than peers who did not participate in apprenticeships.⁴

¹ https://jfforg-prod-prime.s3.amazonaws.com/media/documents/WBL-one-page-061516.pdf

² https://www.urban.org/urban-wire/evidence-based-policy-calls-expanding-apprenticeships

³ https://www.dol.gov/newsroom/releases/eta/eta20160630-0



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Management and Operations: The Adams Earn & Learn Program at Amarillo College is designed to be a 12 to 18 month structured, yet responsive work-based learning model that allows for growth and flexibility for both the employer and the candidate. Amarillo College has made enterprise wide investments into the development of this skills development model including assisting companies with the following:

- Defining their talent pipeline vision
- Identifying current opportunities for training and reskilling throughout the organization
- Cultivating and screening a pipeline of talent for interested employers
- Providing a skill-development outline to assist staff as they guide new candidates
- Assisting companies as they choose to evolve and scale their workforce

Amarillo College has developed a talent portal for interested candidates to apply to work-based learning opportunities with host companies. This in-depth process will help to ensure that high- quality candidates are presented to companies for consideration as a final step in the selection process.

Companies that choose to employ Earn & Learn candidates will be provided a framework for skill development that will help employers structure the learning process in a real-world environment. Additionally, Amarillo College will provide candidates with industry driven related educational material and courses that will supplement their on the job training.

Host companies will be expected to employ Earn & Learn candidates between 20-30 hours per week at hourly rates above minimum wage. The exact number of hours and pay rate may be determined by the employer.

Implementation Timeline: Amarillo College intends to announce the ten companies participating in the Adams Earn & Learn pilot program in September 2020. Following this announcement, the application portal for interested candidates is anticipated to be launched in early October. We project that final candidate selection will be completed by November 2020, with a program start date in early January 2021.

The second cohort of companies for the Fall 2021 cohort will be identified by May 2021 with candidates interviewing by July 2021.

Financial Considerations: Amarillo College believes that all Amarillo-metro area employers have an opportunity to support this unprecedented opportunity to shape the workforce and economy of our region. While it is the College's hope that many companies will choose to support the initiative through employment of an Earn & Learn candidate, we realize this is not possible for all industries and all employers.

If candidate employment is not an option for companies or other program supporters, the Earn & Learn program may also be supported through funding directed toward candidate scholarships to be used in preprogram skill development. Further, companies and stakeholders may choose to support strategic faculty hires by Amarillo College to further expand academic training in disciplines not currently available at the institution but demanded within the economy.