

GROW YOUR TALENT:



THE UPSKILLING TOOLKIT



<https://twc.texas.gov/programs/apprenticeship-program-overview>

The guide to **affordable tools** and **effective strategies** for Central Texas businesses to boost the skills of employees, decrease turnover, and bolster competitiveness!



WORKFORCE SOLUTIONS Capital Area

Connecting People to Jobs

www.wfscapitalarea.com

WELCOME!

Last year, Workforce Solutions Capital Area partnered with over

3,000 local businesses to invest in workforce development efforts in Central Texas. But we know that's just a drop in the bucket. Between low unemployment, a rapidly retiring Baby Boomer workforce, and our strong economy, virtually every employer in our region is confronting unprecedented challenges in recruiting, retaining, and developing a skilled workforce.

We are increasingly convinced that the secret to a skilled workforce is helping our business partners grow their own talent. We can assist you in developing the precise skills and experience you need for your highest-demand jobs by upgrading the skills of (or "upskilling") the entry- and mid-level employees who are already on your payroll.

We created this guide to share some of what we've learned. You'll find practical, actionable strategies you can deploy in your own workplace and examples of how other local companies have integrated these approaches into their own business practices. We've also highlighted some of the ways we can support your organization, including special programs that allow us to co-invest in employer-sponsored workforce development initiatives so you can scale up your efforts and accelerate your talent development.



Tamara Atkinson

*Chief Executive Officer,
Workforce Solutions Capital Area*

We look forward to learning more about how Workforce Solutions Capital Area can help your business thrive. Please don't hesitate to reach out to us to request more information and thank you for all that you do to make Austin's economy one of the strongest in the nation!

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READY TO DIVE IN?

Contact Workforce Solutions Director of Upskilling and Advancement at upskilling@wfscapitalarea.com or 512.597.7142 to schedule a no-cost, no-obligation upskilling assessment and learn more about the services we can offer your company.

IT'S TIME TO TRY SOMETHING NEW

In the years immediately following the Great Recession, Central Texas companies had their pick of the litter when it came to attracting talent. Workers from across Texas and the nation were flocking to Austin in search of good jobs and a great quality of life. Our numerous local colleges and universities were churning out record numbers of graduates, many of whom wanted to settle down permanently in our region. And our relatively affordable cost of living made it easy for many businesses to attract talent away from competitors based in the more expensive coastal hubs.

In recent years, the tides have begun to turn. The Baby Boomer generation is now retiring in droves, taking their advanced skills and deep expertise with them. The low unemployment rate has made it more difficult to find qualified job seekers, leaving many job postings unfilled. And the Austin region's booming economy has made the competition for talent fierce.

Recognizing that they can no longer recruit their way out of their workforce challenges, a growing number of Central Texas companies are launching or expanding programs to upskill their current employees.

FACES OF UPSKILLING



Recognizing the shortage of Medical Assistants in the region, Baylor Scott & White decided to develop a **registered apprenticeship** to train their incumbent workers. Patient Care Technician, Jacquelyn Cline, had previously struggled to return to school after her youngest child was diagnosed with Rett syndrome. This apprenticeship allowed her to earn while she learned, and she can now acquire the certification that will promote her to a Medical Assistant and fill the company's need and earn a higher wage. Jacquelyn's future goal is to continue advancing in her career to become a Cardiovascular Sonographer.



Ashley Miller could only afford to take 1 community college class a semester. She paid tuition out of pocket, while working 2 jobs and taking care of 2 kids. She came to a realization that attaining her associate's degree would take longer than desired and decided to get a job at the Travis County Clerk's Office where they offered **tuition reimbursement**. Ashley received \$2,000 per year to cover tuition costs, allowing her to quit one of her jobs, take a full course load of classes a semester through PelotonU, and spend more time with her kids without the worry of student loan debt hanging over her head. Tuition reimbursement has provided Ashley the opportunity to advance in her career and increase her skill-set for her employer.

WHY UPSKILL?

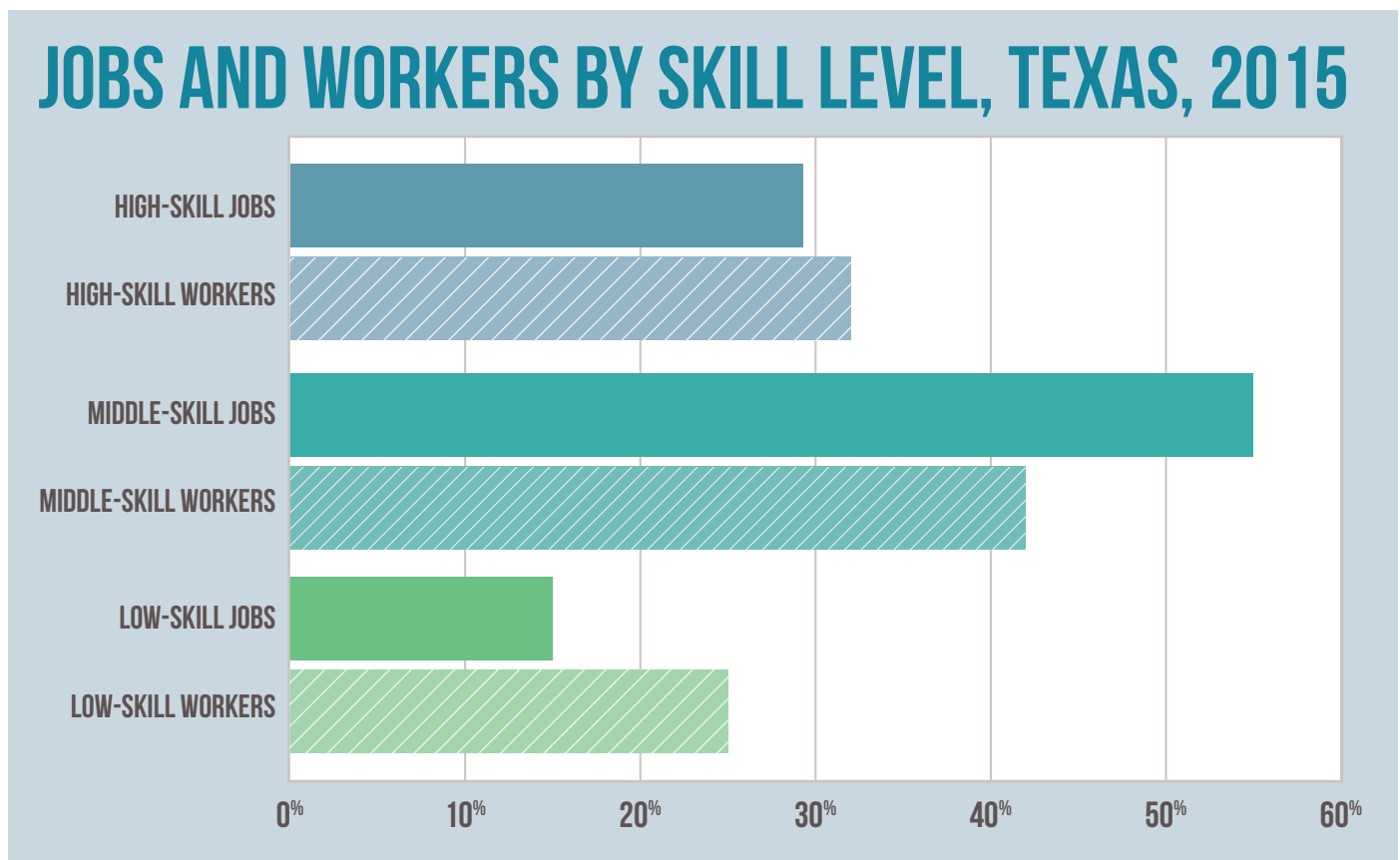
Research shows that employer investments in upgrading the skills of their employees delivers strong returns. Key reasons to consider launching or expanding an upskilling effort include:

ADDRESS CRITICAL HIRING NEEDS AND SKILLS GAPS

By upgrading the skills of your existing employees, you can build a steady pipeline of pre-vetted talent that is developing precisely the skills, credentials, and experience your company needs to fill its most in-demand, hard-to-fill positions. Consider that:

Supply Does Not Meet Demand for Skilled Workers:

National Skills Coalition found 56% of jobs in Texas are middle-skill positions. However, only 42% of the state's workers are trained to the middle-skill level.



More Companies are Looking Within to Meet Their Needs:

Deloitte's 2019 Global Human Capital Trends found that a majority (77%) of companies are leaning towards training over hiring as their means of acquiring the skills they need, and 84 percent reported that they were increasing their investment in reskilling programs.

Constantly Evolving Skill Needs Require Continuous Learning:

A 2018 World Economic Forum report found that more than half (54%) of all employees will require significant reskilling and upskilling by 2022.

REDUCE COSTS AND INCREASE PROFITS

- **Turnover is Expensive - and Accelerating:** Research has shown that the cost of turnover is typically about one third of a worker's salary. The Workforce Institute estimates that, by 2020, 33% of workers will leave their job each year to go work somewhere else.
- **Skills Gaps Hurt Your Bottom Line:** Skills gaps hit companies in a variety of expensive ways, including decreased productivity, increased issues with errors, low levels of employee engagement, problems with customer satisfaction, overtime costs incurred when you can't find enough workers to fill each shift, and severance expenses when you have to lay-off workers with outdated skills. When you don't have the skilled workers that you need to operate at full capacity, your business takes a hit to its bottom line – and the impression it makes on potential customers and investors.
- **Upskilling Investments Payoff:** Research increasingly shows that upskilling investments have a positive return-on-investment. Consider that:
 - o In FSG's 2017 report *Investing in Entry-Level Talent: Retention Strategies that Work*, analysts found that employer-sponsored career advancement opportunities increased employee loyalty and productivity and reduced turnover.
 - o An evaluation of Discover Financial Services' tuition assistance program found that every dollar invested generated a \$1.44 (or 144%) return on investment due to higher rates of promotion, transfers, and retention, and lower rates of absenteeism.

IMPROVE COMPANY CULTURE AND MORALE

When you invest in the skills of your current workers, you're demonstrating to your employees that you value hard work and loyalty. You're cultivating a culture of learning.

And, moreover, your employees expect it: Millennials – who are expected to make up 75% of the global workforce by 2025 – told Deloitte that they are less likely to leave their jobs when they work for companies that support their ambitions and professional development. Those intending to stay with their organization for more than five years, for example, were twice as likely to have a mentor (68%) than not (32%). However, only 28% of Millennials felt that their current organizations were making 'full use' of the skills they had to offer.



PREPARING TO LAUNCH

1

Take stock of your current position and clarify your upskilling goals. Consider the following:

- **What are your organization’s current and anticipated skills gaps?** Could upgrading the skills of your current employees help you develop a pool of talent with precisely the skills, credentials, and experience your company needs to staff difficult-to-fill positions and prosper? Are there clear career paths that could fill these needs?
- **How much is turnover currently costing you?** There are a number of turnover cost calculators available online for free that can help you to calculate your costs, including tools from the Aspen Institute and the Society for Human Resources Management. What could be achieved if your company used those financial resources to update the skills of its employees instead?
- **Do you face any challenges related to organizational culture or work-place morale?** Would rewarding your hardest-working employees with opportunities for career advancement boost morale and cultivate a culture of continuous learning?

2

Develop your upskilling strategy. We’ve laid out some of the most common upskilling tools in the Upskilling Methods section beginning on page 8. Which of these tools are most closely aligned with your goals? The best fit for your organizational culture? Easiest to deploy? If you plan to education and training activities, which types do you want to offer?



WHICH TYPES OF EDUCATION & TRAINING ARE RIGHT FOR YOU?

APPRENTICESHIP	Provide a structured opportunity for workers to develop new skills and earn a credential through a combination of on-the-job and classroom or online training.
IN-HOUSE TRAINING	Formal, structured, classroom- or online-based training offered expressly for your employees on-site by your company.
EXTERNAL TRAINING PROVIDER	Formal, structured, classroom- or online-based training provided by a range of different types of partners
ON-THE-JOB TRAINING	A hands-on method of teaching the skills, knowledge, and competencies employees need to perform specific tasks or jobs.
CAREER COACHING	A trained coach meets with employees one-on-one to assist with career advancement.

These methods of upskilling are explained in depth beginning on page 8.

3

Identify your partners. Will you provide training for your employees in-house, or do you want to partner with a trade school, local college, or online university? Will you need other types of partners (e.g., child care providers or college admissions counselors) to help ensure the success of your employees who participate in upskilling activities? Workforce Solutions Capital Area has an extensive network of vetted community partners. We would be happy to help you evaluate your options at no cost.

COMMON RESOURCES USED FOR UPSKILLING

COMPANY RESOURCES	WORKFORCE SOLUTIONS CAPITAL AREA RESOURCES	EDUCATION/TRAINING PARTNER RESOURCES
<ul style="list-style-type: none"> • Tuition assistance funds • Employee scholarship programs • Skilled staff who can serve as mentors or trainers • Paid time off for training • Tax offsets: Section 127 of the Internal Revenue Code allows employers to provide tax-free reimbursement up to \$5,250 for higher educational courses at the associate, undergraduate and graduate levels 	<ul style="list-style-type: none"> • Grant funding and other resources that can be used to help subsidize the cost of training for qualified companies and their employees • Individual training vouchers for qualified workers • Free workshops on soft-skills and basic business skills • Partnerships with Adult Basic skills (literacy, numeracy) and English skills programs 	<ul style="list-style-type: none"> • Scholarships • Financial aid programs • Public and/or grant funding to subsidize training for specific industries or occupations

4

Determine how to pay for your upskilling strategy. Does your organization have existing resources that you can leverage? What resources can your partners bring to the table? Some of the assets that businesses commonly leverage to create affordable upskilling strategies are shown below.

5

Secure buy-in. Make the case for why you believe upskilling will provide a positive return-on-investment to your company. Ensure that you have strong support from your senior management all the way down to the frontline supervisors, many of whom may harbor concerns that upskilling efforts could be a distraction from day-to-day operations.

6

Develop or update your policies and procedures. The best laid plans can easily be blown off-course by unanticipated issues resulting from outdated internal practices. Before you launch your program, consider:

- **How will we select and prioritize who gets to participate?**
 - Do we want to incentivize upskilling activities that address specific internal skill or hiring needs?
 - Do we have experienced team members who are at risk of being laid off because their skills have become outdated or their work will be automated?

- **How will we ensure that our most promising employees can participate?**
 - Will excluding part-time, hourly, or newer employees limit the pool of talent that we could potentially develop?
 - Do we need to update our tuition assistance program to provide up-front assistance because some employees can't afford to wait for reimbursements?
 - Do we need to consider any scheduling changes to allow our employees to participate in specific classes or training opportunities?
 - Can we update our Employee Assistance Program (EAP) to help our employees address issues like child care or transportation barriers that might prevent them from fully participating in upskilling activities?

Workforce Solutions Capital Area can also help you and your employees troubleshoot and identify community resources to address personal and family barriers.

7 **Develop a recruiting strategy.** How will you get the word out to the workers you most want to engage?

8 **Launch a pilot.** Start small so that you have an opportunity to identify and address challenges before you scale up your upskilling initiative. Collect data, evaluate what's working and what's not, and iterate as you go until you've built a program that is helping your company make progress towards its upskilling goals.



UPSKILLING METHODS

APPRENTICESHIP

WHAT IT IS

Apprenticeships provide a structured opportunity for workers to develop new skills and earn a credential through a combination of on-the-job and classroom or online training.

HOW IT'S HELPFUL

- Focuses on growing job skills but can also help with soft skills development.
- Provides an incentive for your employees to train for high-demand, hard-to-fill positions at your company.
- Allows you to create customized training programs for skills and credentials that may not be available through other education/training programs in Central Texas.
- Enables you to blend online or classroom-based training with hands-on, real-world experience using your equipment, your tools, and working alongside your team.
- Can attract workers to professions that they might otherwise shy away from due to concerns about taking on student loan debt.

CONSIDERATIONS

- Workforce Solutions Capital Area can assist you in launching an apprenticeship and provide tactical support. Contact us to learn about resources that may be available to your company.
- Apprenticeships are not just for union, manufacturing, or skilled trades jobs. Contact us to learn more about how apprenticeships are helping a broad range of businesses develop talent.

APPRENTICESHIP IN FOCUS:

Baylor Scott & White has become the sponsor of a Department of Labor Registered Medical Assistant Apprenticeship, in partnership with Austin Community College and Workforce Solutions Capital Area. Thanks to a grant from the Texas Workforce Commission, 20 incumbent workers will be upskilled from entry-level roles such as environmental services and patient service specialists to a Registered Medical Assistant. The first cohort will complete December of 2019.

Austin Community College (ACC) has developed a competency based- condensed curriculum in which apprentices attend class during the day, 40 hours a week for 9 weeks at an ACC campus. During this time, the apprentices are compensated by their employer, making this opportunity accessible to single parents and other individuals who cannot afford to stop working to attend class.

After ACC's period of instruction, apprentices take the national accredited exam to become Registered Medical Assistants and then complete 600 hours of preceptor managed on the job training.

IN-HOUSE TRAINING

WHAT IT IS

Formal, structured, classroom- or online-based training offered expressly for your employees on-site by your company.

HOW IT'S HELPFUL

- Can be used to develop soft skills, basic skills, English skills, and job skills.
- Allows your company to leverage the expertise and capacity of your staff.
- Helps to ensure that education and training programs are delivering precisely the content that is most important to your company.

CONSIDERATIONS

- Do you have the in-house expertise to effectively deliver the training you need to offer? If not, it may be worth considering working with an external partner (see page 10 “External Training Provider”).
- What is the process to be able to offer professional certifications in-house?
- When will you offer the training? Providing training during work hours helps to ensure full participation and avoids creating work-life balance issues such as child and family caregiving obligations.
- Communication is important. Make sure both new and existing employees are aware of any in-house training opportunities and how to access them.



EXTERNAL TRAINING PROVIDER

WHAT IT IS

Formal, structured, classroom- or online-based training provided by a range of different types of partners, including:

- Community colleges
- Technical/vocational schools
- Four-year colleges and universities
- Specialty training companies and “bootcamps”
- Nonprofit organizations

HOW IT'S HELPFUL

- Can be used to develop soft skills, basic skills, English skills, and job skills.
- Allows your company to leverage the expertise and capacity of outside organizations.
- Enables you to tap into outside resources – like grants, subsidies, financial aid, and scholarships - to subsidize training costs.

CONSIDERATIONS

- Will classes be exclusively for your employees or would your employees benefit from participating in classes with students from outside your company?
- How can you utilize your tuition assistance program to incentivize employees to train for in-demand jobs at your company? Consider offering larger benefits or other incentives to steer employees towards developing the skills you need.
- Will instruction occur on-site or off-site? During working hours or during an employee's personal time? Will you provide paid leave for the time employees spend in training? Will you offer flexible scheduling to work around class times? Keep in mind that your training investment could be jeopardized if financial or work-life barriers make it more difficult for employees to complete training.
- Online training can be more affordable, but classroom training is often more effective. Many companies find success offering “blended” classes that combine both.

EXTERNAL TRAINING PROVIDER IN FOCUS:

Samsung Austin Semiconductor has partnered with Austin Community College to provide training to their incumbent workers for core manufacturing curriculum, including information on electronics, schematics, sensors, programmable logic controllers and other highly technical topics as well as non-technical training in areas such as leadership development.

Working with an external training provider, Samsung was still able to establish a customized and cost-effective program to accelerate workforce training on site.

From 2014 to 2017, this partnership between Samsung Austin Semiconductor and Austin Community College has resulted in 5,000+ students served through 70,000+ hours of training.



ON-THE-JOB TRAINING

WHAT IT IS

A hands-on method of teaching the skills, knowledge, and competencies employees need to perform specific tasks or jobs. On-the-Job Training can take many forms, including:

- Mentoring
- Job-Shadowing
- Cross-Training
- Structured Rotations

HOW IT'S HELPFUL

- Can be used to provide both soft skills and job skills training.
- Provides contextualized learning so that it's clear how specific skills are applied in the workplace.
- May be a more affordable training option – leverages the existing experience, knowledge of your employees.

CONSIDERATIONS

- Even your best employees may need help learning how to deliver effective mentoring and instruction. Be sure to offer them training to help ensure their success – and recognition or incentives to acknowledge their extra contribution.
- While on-the-job training can be more informal, it's still important to make sure that it's covering critical information. Develop a list of the skills and competencies you want participating employees to master and make sure that you assess and track their progress throughout the training.



CAREER COACHING

WHAT IT IS

A trained coach meets with employees one-on-one to:

- Share information about opportunities for advancement within the company;
- Assist with goal-setting and planning, including assessing current vs. desired skills, credentials, and experience; and
- Develop strategies to address barriers to advancement.

HOW IT'S HELPFUL

- Allows you to guide employees towards current and expected career advancement opportunities in your company, helping you to cultivate a talent pipeline to produce much-needed skills.
- Useful for a wide-range of entry-level workers:
 - For lower performing employees, can provide a space to troubleshoot soft skill issues in a one-on-one setting, identify specific skills deficiencies, or address personal barriers like child care or transportation issues.
 - For higher performing employees, provides an opportunity to demonstrate that you're invested in their career success.

CONSIDERATIONS

- Do your HR, training, or workforce team members have the 1) Expertise; and 2) Extra bandwidth to take on coaching? If not, you may want to partner with an outside organization to deliver coaching services.
- In order to provide effective career coaching that prepares your employees to fill your hard-to-hire positions, you'll need to 1) Have a clear understanding of the skills, credentials, and experience required for those jobs; and 2) Be able to point them toward specific education and training opportunities so that employees can clearly understand how they can acquire the skills they need and advance along a specific career pathway.

CAREER COACHING IN FOCUS:

Through Workforce Solution Capital Area's Upskill ATX Pilot, Capital IDEA provides career coaching employees at 5 hospitals operated by St. David's HealthCare who are interested in participating in advancing their career through further education.

Prospective students are assessed to measure interests, strengths, aptitudes and cognitive abilities in order to determine an individual's fit for and commitment to a particular career field. Then during a comprehensive two-hour career counseling session, Capital IDEA Career Guidance Specialists meet one-on-one with applicants to review their test results and application.

In addition, they work with applicants to prepare individual strategies that outline the training and support services needed to meet their educational and career goals.



READY TO GET STARTED?

Workforce Solutions Capital Area receives support from a range of government programs, industry groups, and philanthropic partners to help entry- and mid-level workers prepare for, secure, and retain good jobs. **As a result, we're able to offer many services and supports to Central Texas businesses at zero cost.** Even when we can't fully cover the cost of an upskilling program, we are often able to subsidize our business partners' internal investments and significantly reduce the expense to their companies.

No matter your company size, we are happy to explore how we can put our resources to work upskilling and filling your open positions. Consultations with our team of upskilling experts are always free.

Contact Workforce Solutions Director of Upskilling and Advancement at upskilling@wfscapitalarea.com or 512.597.7142 to schedule a no-cost, no-obligation upskilling assessment and learn more about the services we can offer you.



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