

ACT IMPLEMENTATION

December 7, 2020



ACT

Apprenticeship Cooperative Training

THE ACT MODEL

*ACT is an **enhanced apprenticeship support mechanism** through which a third party provides comprehensive support for apprentices and employers to increase engagement and completion.*

THEMES AND FINDINGS

- Evidence demonstrates a **solid base of support** from stakeholders
- Stakeholders acknowledge **value** in model
- **Recognition of ability** of ACT to connect employers with apprentices
- **Organized labour** has been **engaged** throughout
- ACT organization hosts in **three economic regions** have been identified
- **Stakeholders** have offered to serve as ACT organizations



THEMES AND FINDINGS

- Employers will need sufficient time to **understand the model**
- Some **centralized functions** for regional ACT organizations in pilot phase
- ACT will benefit **Youth**, Indigenous, Female, and Equity-seeking groups
- **Employer and community engagement** activities ongoing
- Expose apprentices to work experience in **different regions**



PLANNING FRAMEWORK



Designed to **ensure** that employers and other apprenticeship system stakeholders feel a **sense of ownership**



Services are **complementary** to traditional apprenticeship model



Dedicated ACT organizations provide full scope of administrative services for employer and apprentices



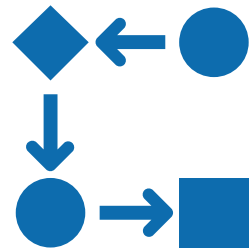
ACT organizations **coordinate the apprenticeship** process for both apprentices and host employers



Employers pay a **modest fee for service** (approximately 10% of the apprentice's hourly wage) to ACT organizations in exchange for supported apprentices

PLANNING FRAMEWORK

Five key areas for the implementation of ACT at the regional level:



People

Resources

Structure

Systems

Relationships

PLANNING FRAMEWORK

- The framework on the next slide describes five phases for this project
- Phase 1 is now complete and work on elements of Phase 2 has begun
- The roll-out of Phases 3-5 will be dependent on Pilot funding



Phase 1 Engagement, Context Analysis and Planning

Phase 1 Activities - High Level

This phase sets the groundwork and tone for the project with the sign-off of the project workplan. During this phase, a Governance Committee will be struck to provide guidance, oversight and industry validation for the project. Extensive industry engagement will also be conducted during this phase. Specifically, it will define the operational context into which ACT will be launched and recommend preliminary pilot project sites with specified objectives for each site. This critical phase will result in the design and validation of all operational protocols for the service and provide the structure for the pilot projects.

Detailed Activities and Outcomes

Actions
Confirm Governance Committee
Define Project Objectives
Define Project Scope
Finalize Workplan
Conduct Community Needs Assessments
Conduct Impact Assessment
Identify Partnerships
Define Stakeholder Engagement Model
Undertake Stakeholder Engagement and Outreach
Social Media Campaign Developed and Launched
Outcomes
Defined project objectives
Defined project scope
Workplan finalized and signed off
Partner and location list
Community profiles which include location specific nuances
Projection Report for service deployment (number of employers, number of apprentices, potential revenue)
Preliminary project partners secured
Stakeholder Engagement Model defined and developed
Evaluation and assessment tools developed and ready for deployment

Phase 2 - Planning and Preparation for Pilot Delivery of ACT

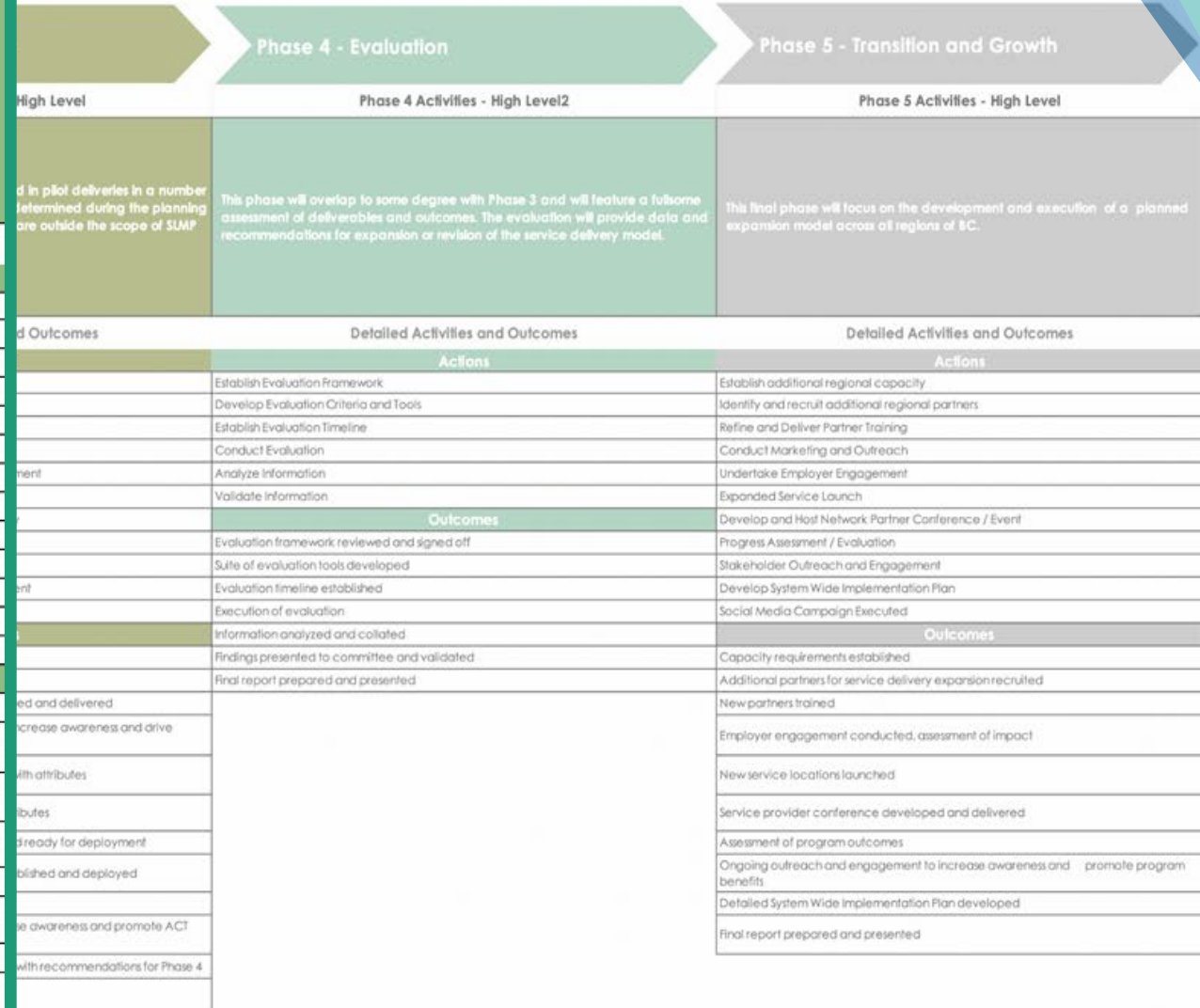
Phase 2 Activities - High Level

This project phase will focus on planning for the delivery of ACT at 2-4 sites across BC on a proof of concept/pilot basis. It will determine the model and set the parameters for data collection and for assessment of ACT services. This phase of the project reflects planning activities only and does not include delivery of ACT services. This phase will result in a blueprint for the creation of ACT Organizations - a central element of the future pilot phase.

Detailed Activities and Outcomes

Actions
Define Business Process
Establish central administrative and financial systems
Establish Governance Model
Develop Resource Plan (Human Resources, Physical Space, Systems, etc.)
Service Provider Agreements
Define Operational and Service Level Standards
Establish Policies and Procedures
Develop Branding, Communications and Marketing Strategies
Develop Funding Model / Sustainability Plan
Develop Detailed Implementation Plan
Stakeholder Outreach and Engagement
Social Media Campaign Executed
Conduct Progress Assessment/Evaluation
Outcomes
Full Business Model developed and validated with stakeholders
Governance Model established, deployed, and signed off
Central administrative and financial systems in place
Resource plan established and validated to include physical, financial and human resource requirements
Signed off Service Provider agreements for service delivery partners
Operational standards developed
Complete suite of policies and procedures
Funding model / sustainability plan developed
Branding and communications/marketing materials developed
Ongoing outreach and engagement to increase awareness and promote program benefits
Formative Evaluation/Progress Assessment
Detailed Implementation Plan

Implementation Framework



RESOURCE PLAN - FINANCIAL

Highlights of 3-year pilot financial plan:

- Projected gross revenues for pilot phase \$21.5 Million
- Projected gross expenditures for pilot phase \$23.9 Million
- Projected pilot funding requirement \$2.4 Million
- Diminishing funding requirements through pilot phase
- Self sustaining in fourth year of operation



THE ACT BUSINESS MODEL

- Analogous to an enhanced employment agency
- Hosted by existing local organization
- Funded through modest employer premiums paid on base wages
- Three-year ramp up to full financial self-sufficiency
- Aligned with ITA priorities to support apprenticeship system
- Non-competitive and collaborative with other services and providers



THE ACT BUSINESS MODEL



THE ACT BUSINESS MODEL

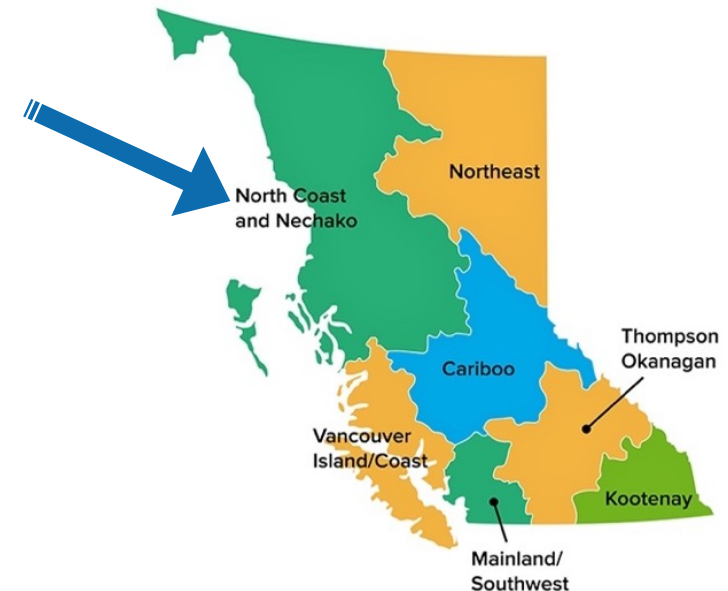
NORTH COAST & NECHAKO

Key Players:

- Coast Mountain College
- Tahltan Nation Development Corporation
- BC Oil and Gas Commission
- Kitimat Valley Institute

Unique Considerations:

- Rural population (43% live in rural area) – population is shrinking
- Main organization housed at Coast Mountain College
- Indigenous outreach in Dease Lake
- Manufacturing and forestry, fishing and mining are the main employers
- Interest in cross-regional movement of apprentices
- Most of the people, and jobs, are located in Bulkley-Nechako or Kitimat-Stikine



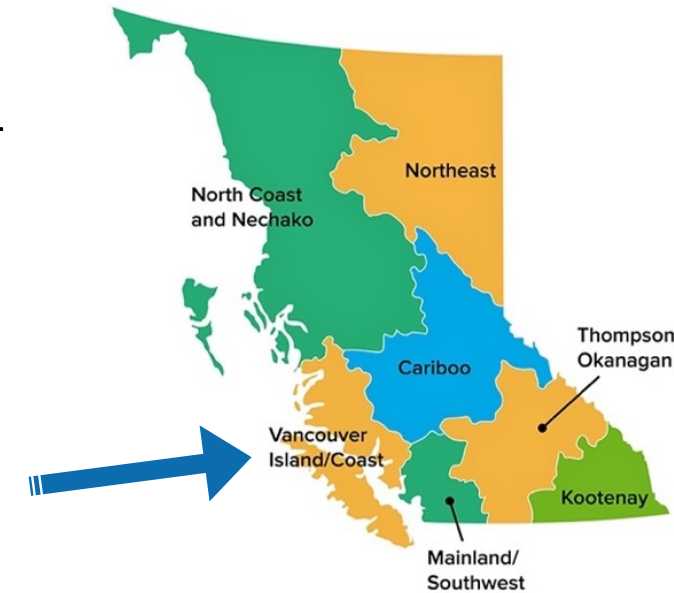
THE ACT BUSINESS MODEL VANCOUVER ISLAND/COAST

Key Players:

- Camosun College and Vancouver Island University
- BC Construction Association, Canadian Home Builders Association BC - Vancouver Island, South Island Partnership

Unique Considerations:

- Half of the jobs are in the Capital regional district
- Main organization housed at BCCA with Foundation student outreach offices at Camosun and VIU
- One in 10 workers is employed in construction
- Most of the region's fastest-growing industries are in the service sector



THE ACT BUSINESS MODEL

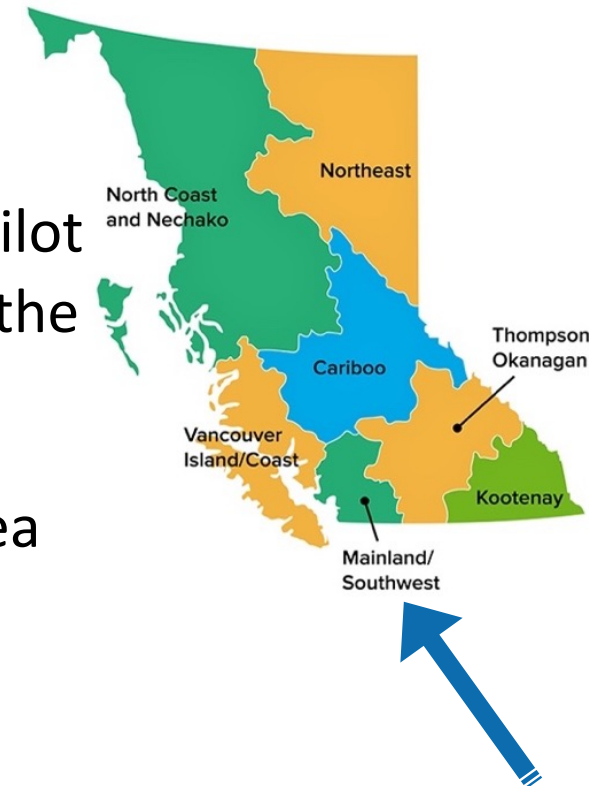
MAINLAND/SOUTHWEST

Key Players:

- Surrey Board of Trade, BC Alliance for Manufacturing, Kwantlen Polytechnic University, Douglas College, Finishing Trades Institute

Unique Considerations:

- This pilot location will host some centralized ACT functions during pilot
- The region has the highest proportion of working aged residents in the province
- Foundation student outreach office at KPU
- Ninety-eight percent of the region's population lives in an urban area
- Construction and manufacturing are the biggest employers in the goods sector
- Working relationships with Organized Labour



ACT ORGANIZATION

OPERATING AND TRAINING FUNCTIONS

Management

Operational plans
Project based initiatives
industrial relations
School/college support
Special projects
Field services
Needs analysis
Training
Consultancies
Work-based assessments
Staff development program

Apprenticeships

Recruitment of apprentices
Liaison with Trainers/PSIs
Recruitment of Hosts
Wraparound supports
Recognition programs
Assistance securing tax credits and grants
On the job monitoring

EMPLOYMENT AND SERVICES FUNCTIONS

Management

Employment services
Recruitment, outreach activities
Screening and selection
Case management services
Employment assessment
Provision of consumables

Public relations

Customer relations publicity
Website maintenance/social media
School/college liaison

Programs

Submissions
Provincial government programs
Federal government programs
Workplace safety
Quality assurance

Central records

Staff
Operations procedures
Register apprentices
Host employers
General records

Miscellaneous records

Office facilities
Secretarial support to general manager, board executive

Information systems

General data systems management
electronic records
Wide area network wan
Local Area Network LAN

FINANCE/CORPORATE FUNCTIONS

Finance

Strategic planning and budgeting
Wages and benefits administration
Invoicing
Taxation
Financial records auditing
Asset management
Financial systems management
Policies/procedures
Governance

Liaison with Funders

Contractual obligations
Reporting

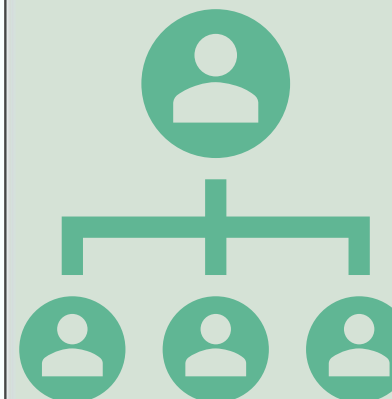
REGULATORY COMPLIANCE

Health and Safety

WorkSafeBC
Workplace health and safety committee

Industry Training Authority

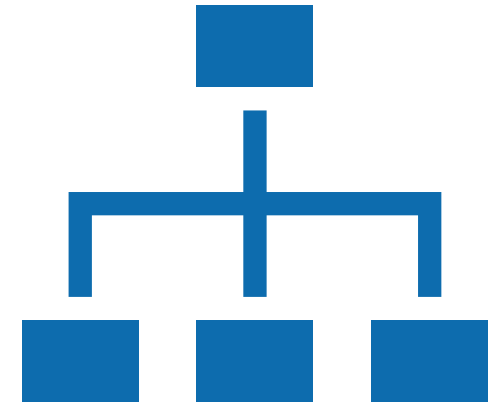
Sponsor responsibilities
Apprentice records
Reporting



THE ACT GOVERNANCE MODEL

Governance model ensures consistency, compliance, responsiveness and sustainability

- Provincial Governance Committee
- Local subcommittee in each region
- Centralized functions supported during pilot phase



ACT STANDARDS, POLICIES AND PROCEDURES

Detailed policies and procedures to address these key areas:

1. Operations
2. Training
3. Program Management
4. Finance/Corporate/Legal
5. Regulatory Compliance



ACT CHALLENGES AND MITIGATION STRATEGIES

Our general approach to risk assessment and mitigation is to examine and plan for five key elements, specifically:

1. **Event:** What could happen?
2. **Probability:** How likely is it to happen?
3. **Impact:** How bad will it be if it happens?
4. **Mitigation:** How can we reduce the probability (and by how much)?
5. **Contingency:** How can we reduce the impact (and by how much)?



ACT CHALLENGES AND MITIGATION STRATEGIES

Potential Concerns	How ACT Mitigates Concerns
Inconsistent wages among employers	<ul style="list-style-type: none"> • ACT Organizations mitigate this by applying prevailing wage rates
Concerns from employers over fees for this service	<ul style="list-style-type: none"> • Fee provides full support of apprentice and removes the workload from employers, offsetting administrative costs they already assume and pay for • Fee for service is simply cost recovery • Fee ensures continuity of apprenticeship systems and development of 21st century labour force • Concerns mitigated through proactive employer education and outreach
Lack of loyalty from apprentices	<ul style="list-style-type: none"> • Apprentices sign a contract with ACT to stay with an employer for a specified duration
ACT would not be supported by the unions and their collective agreements	<ul style="list-style-type: none"> • Proactive engagement of unions in development of ACT Strategy and as potential pilot partners will demonstrate benefits of and opportunities with model to unions • Key BC labour organizations, including union locals, participated in the stakeholder outreach sessions and provided input • Several labour organizations have expressed interest in participating
If employers are not able to find apprentices to work, how will the ACT organizations find apprentices?	<ul style="list-style-type: none"> • ACT Organizations will have greater access to apprentices because of their network to schools, training providers and other organizations • ACT Organizations will have a critical mass of apprentices that an individual employer will not have • ACT Organizations will have access to apprentices in other regions
Apprentices may be forced to stay with an employer even if there isn't a fit	<ul style="list-style-type: none"> • Apprentices are assessed carefully prior to placement to ensure there is a fit with the employer • If there are fit issues, a resolution process is observed to address issues • Only as a very last resort, will an apprentice be removed
Employers might be less loyal to apprentices that transfer to other employers throughout their apprenticeship	<ul style="list-style-type: none"> • Employer loyalty correlates with satisfaction with the apprentice, not the duration of the term
Possibility of inconsistent work for apprentices	<ul style="list-style-type: none"> • ACT is a mechanism that provides stable employment and sponsorship for apprentices • Apprentices can be placed with different employers based on need and business cycle

ACT EVALUATION FRAMEWORK

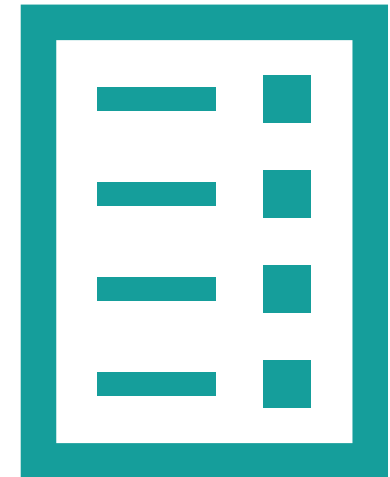
- Logic Model comprised of Implementation Plan Inputs, Outcomes, and Key Performance Indicators

Implementation Plan Inputs, Outcomes and Impact

Phase	Resources (Inputs)	Activities	Outputs	Outcomes (Results)	Impacts	KPIs
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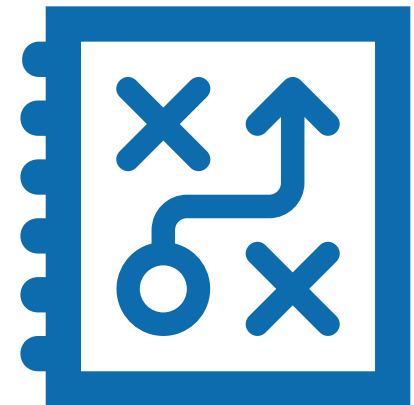
ACT EVALUATION FRAMEWORK

- Formative and summative evaluations – conducted throughout the pilot and reported annually with final report/ recommendations at the conclusion of the pilot phase
- Multiple data collection points and mechanisms including stakeholder feedback and operational metrics (e.g. numbers of employers and apprentices engaged)
- First year benchmarking
- Evaluation aligns with established audit framework
- Output checklist for each location
- Timeline/checklist aligned with outcomes
- Financial audits conducted annually



ACT TRANSITION PLAN

- Full **financial sustainability plan** - January 2021
- What we know:
 - **Multiple partners and sources** of funding required during pilot phase
 - Pilot funding from a **range of stakeholders** including employers, government, economic development agencies, and industry associations
- **Supplementary funders** might contribute on a one-time basis



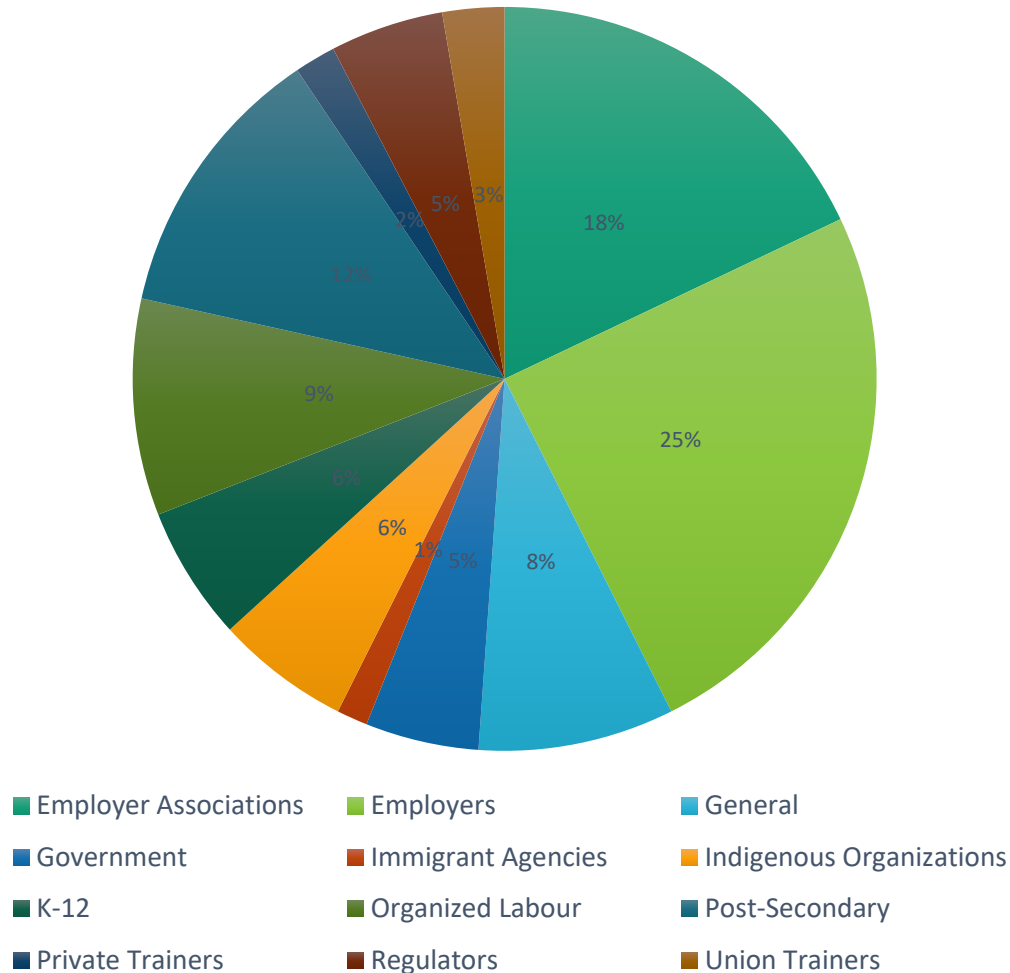
ACT TRANSITION PLAN

- **Multi-phase** program from start up to self sufficiency
- **Initial** supports provided under pilot and **centralized model**
- **Phased out support** over time as ACT achieves performance targets
- Over longer term ACT organizations '**stand alone**'
- Model can be tailored to unique **regional needs**



ACT INDUSTRY STAKEHOLDERS

ACT Stakeholder Engagement



Highlights:

- 224 Stakeholders engaged and tracked
- 493 employers informed about ACT in the three pilot regions
- 27 employers (to date) participated in a follow-up survey of whom 76% indicated support for a 10% - 20% premium on apprentices' wages to fund ACT (24% favoured 5%)
- We will survey up to 20 employers in each region (~60)

QUESTIONS/COMMENTS





ACT

Apprenticeship Cooperative Training

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