

Achieve Partners

# WORKFORCE FUND IMPACT REPORT 2022



ACHIEVE  
PARTNERS

STRICTLY CONFIDENTIAL

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1

# Strategy for Impact Achieve's Workforce Fund



# Impact Letter

Digital transformation has changed the nature of work and dramatically broadened the gap between an education system built for the 20th century and good jobs in the 21st century. The result is the tightest labor market in memory, 1.7 posted job openings for every job seeker, and 11.5M unfilled jobs. Meanwhile, approximately 40% of new college graduates are underemployed in their first job out of college. And the good jobs that are filled are overwhelmingly filled by individuals with privileged backgrounds, adding fuel to America's inequality fire.



## What drives our work

Despite doing everything right through high school, college, and beyond, too many Americans are facing skill and experience gaps. Employers are increasingly unwilling to hire candidates without specific experience, which obviates the notion of entry-level jobs and removes the bottom rung of the ladder from an engine of socioeconomic

mobility that was once the envy of the world. The education-employment gap is particularly harmful for first-generation and underrepresented minority students and job seekers with other barriers to gaining the skills and experience employers are seeking. So an additional result of this gap is a crisis of diversity in the jobs of the future.



# Impact Letter

(continued)



## Our goal

Achieve's Workforce Fund is building a new paradigm for education and employment in the digital economy. We are pioneering new apprenticeship pathways that reward potential and diversity, and pointedly not specific job skills or experience – because our companies add these. The result is a revolution in socioeconomic mobility for the benefit of high-potential job seekers from diverse backgrounds.

We believe that candidates aiming at good jobs in sectors where there's a clear talent gap should not be asked to take on any financial risk in order to gain the requisite skills and experience. Any education or training provider that asks them to pay tuition either has a bad business model or an unimaginative business one. Because there's a very willing payor for that upskilling: the end-employer who can't find talent.



## How we do it

Achieve acquires business services companies in skill gap sectors where the supply of trained, certified talent is a gating factor to growth. These companies employ large numbers of professionals, but view training as a cost center. Following investment, Achieve builds apprenticeship pathways by establishing partnerships with community colleges, four-year universities, the military, and school districts. Talent is sourced, screened, and then trained in areas like healthcare IT, Salesforce, and cybersecurity.

The resulting transformation – Talent-as-a-Service – becomes a talent engine for the sector, delivering hundreds and then thousands of newly trained, certified analysts and consultants to clients who are equally talent-starved. It also launches thousands of careers that wouldn't have otherwise been launched.

Apprentices at Achieve portfolio companies are full-time employees with benefits from day one of training. Following three months of immersive Last-Mile Training, apprentices become consultants, and are assigned to client projects. After about two years, consultants are typically hired by clients.

Over the life of the fund, Achieve plans to acquire 10 companies, each hiring, training, and deploying 1,000 apprentices per year over the fund's 10-year life. Together, we are excited to be creating new pathways to economic advancement for 100,000 Americans who wouldn't have otherwise had the opportunity.

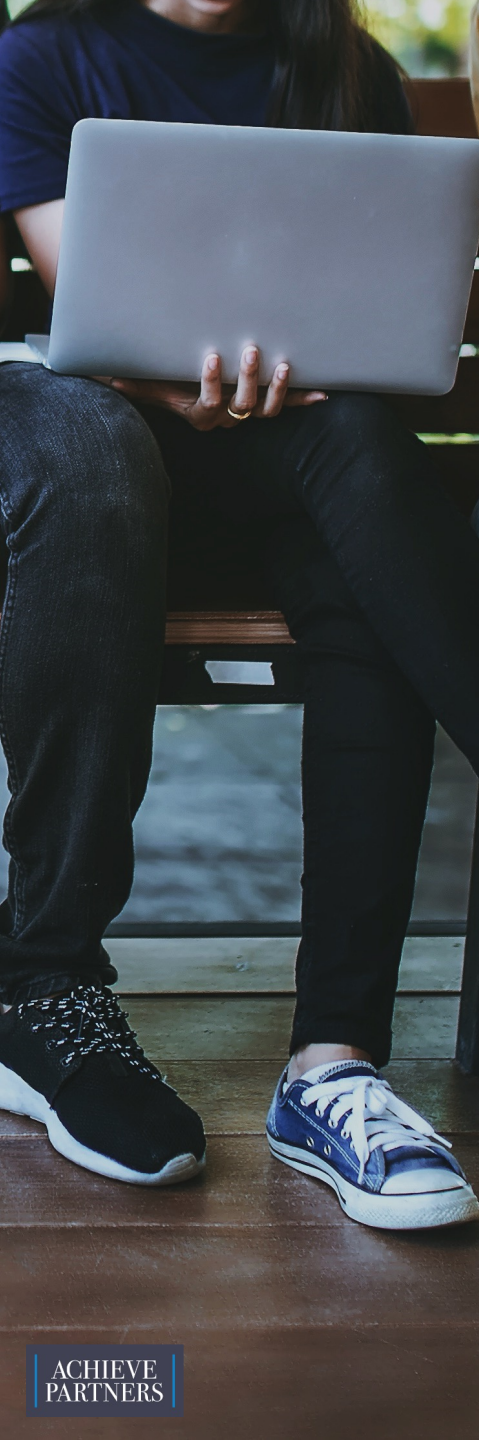


# What Drives Our Work

There is a gap between students/unemployed/underemployed and good jobs. Despite doing everything right through high school, college, and beyond, too many Americans are facing skill and experience gaps.

STUDENTS	UNDEREMPLOYED	UNEMPLOYED	SKILLS GAP	JOB MARKET
<b>\$1.7T</b> Total student loan debt	<b>37M</b> Underemployed Americans	<b>11.5M</b> Unfilled jobs in the American economy		
<b>50%</b> Students fail to complete degree programs	<b>40%</b> College graduates underemployed in first job	<b>0</b> No clear, risk-free pathway to good digital jobs		<b>7X</b> Projected growth in spending on AI in next 4 years

**We have a strategy for closing the skills gap.**



# Our Solution: Apprenticeship

Achieve is pioneering apprenticeship pathways that reward potential and diversity, and pointedly not specific job skills or experience – because our companies add these. The result is a revolution in socioeconomic mobility for the benefit of high-potential job seekers from diverse backgrounds.

## 1 Acquire Platform Companies

We acquire service companies strategically positioned in skill gap sectors where access to trained, certified talent is major impediment to growth

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## 2 Apprenticeship Pathways

We invest in establishing apprenticeship pathways via Last-Mile Training (LMT)

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## 3 Apprentices Deployed at Clients

Following training, apprentices are deployed on client projects and typically, ultimately hired by clients, thereby bridging both skill and experience gaps



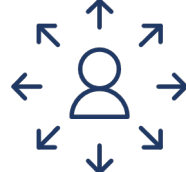
# How Our Solution Generates Value



**Achieve acquires** companies that do not have enough skilled talent to meet client needs



**Apprenticeship pathways** established via Last-Mile Training (LMT)



**Newly trained consultants** perform billable client work via projects, managed services, and/or staff augmentation



**Portfolio company becomes Talent-as-a-Service Provider** as relationship with clients evolves from short-term services partner to long term talent partner

**Capital deployed to launch LMT, hire apprentices**

**Apprentices become consultants**

**Talent engine becomes strategic solution for clients**





**2**

## Snapshot of Our Impact Year One of LMT in Portfolio



# Workforce Fund Mission

Place 100,000 Americans into good jobs they would not have been able to attain if not for the establishment of new apprenticeship pathways



**1,000**

Apprentices  
per company



**10**

Portfolio  
companies



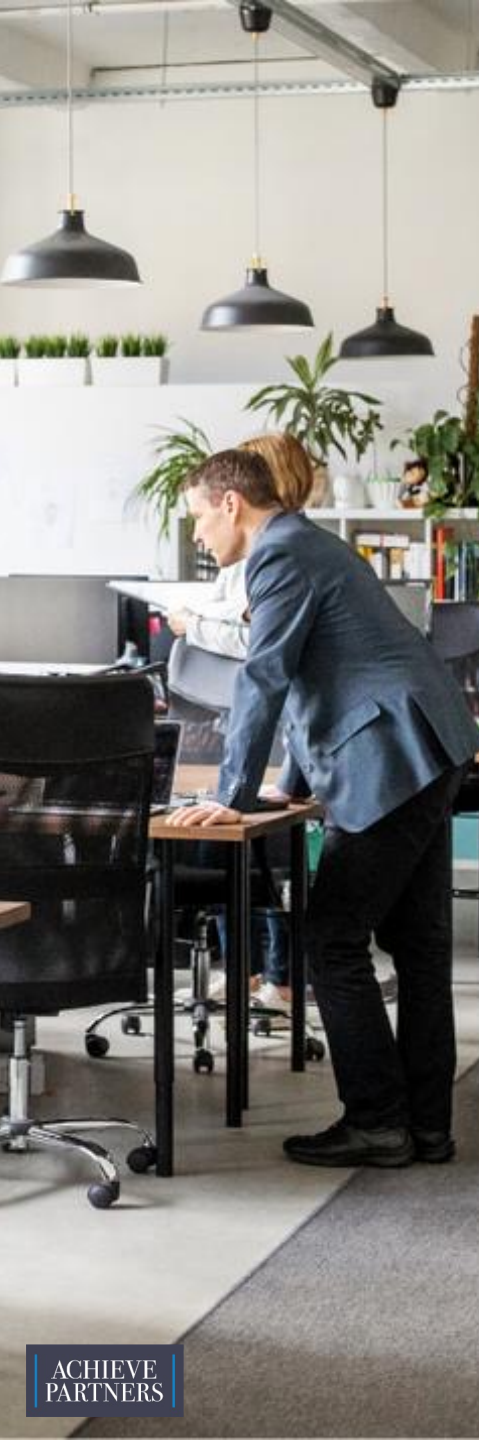
**10**

Years of  
fund life



**100,000**

Careers launched



# Summary of Year One Impact

**381 Apprentices**  
Hired and trained

**69% minority apprentices**  
in LMT Programs

**51% female apprentices**  
in LMT Programs

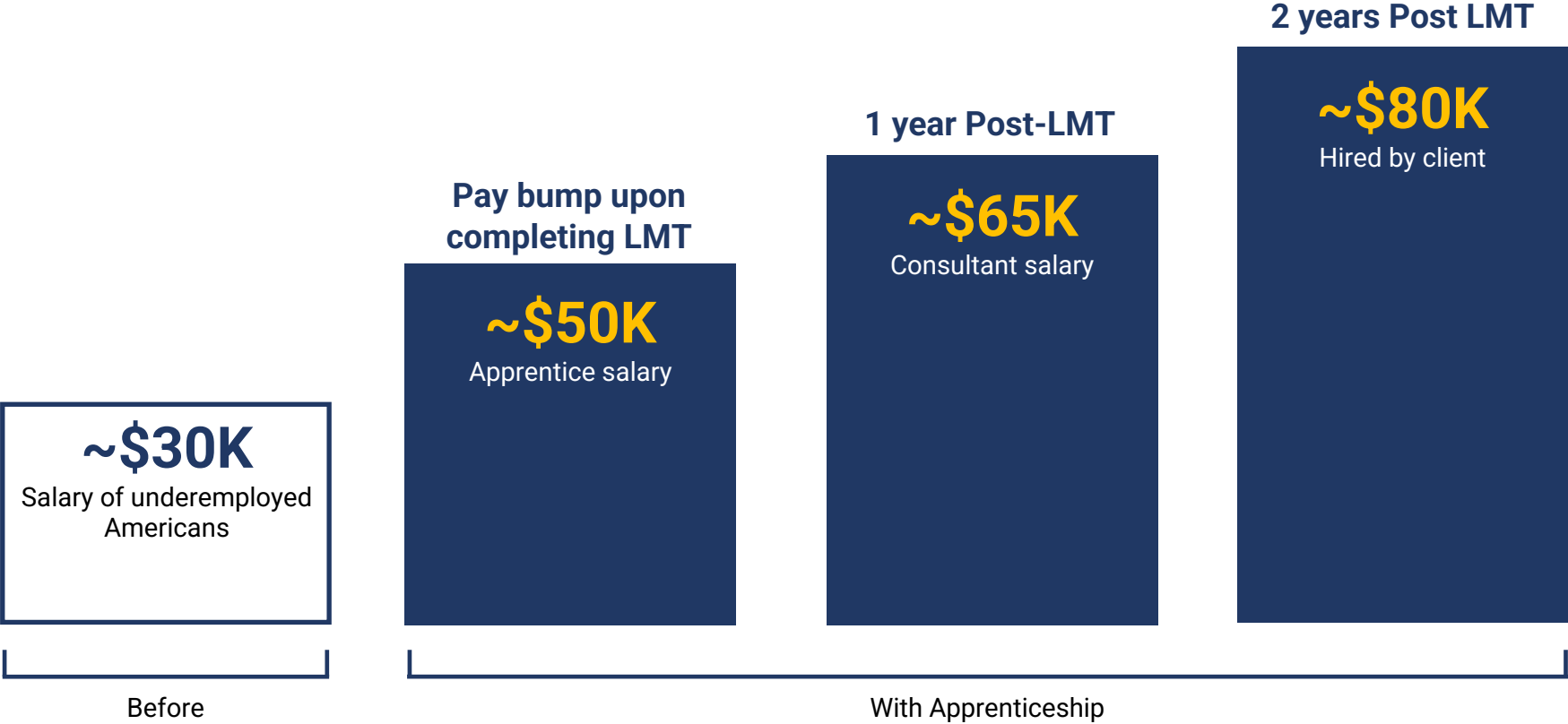
*We pride ourselves on inclusivity, with a rigorous standard for diverse hires that dramatically increases DEI of owned companies and contributes to DEI for the sector*

**\$47K**  
Average apprentice salary

**\$17K est. salary increase**  
for apprentices vs. prior roles;  
Equivalent to 57% increase

*Apprenticeships elevate earnings in just the first year*

# Projected Salary Trajectory





# Focus on Tech and Healthcare Jobs

Biggest education-employment disconnects are in tech and healthcare;  
Last-Mile Training + apprenticeship can close skills and experience gaps

	TECH JOBS	HEALTHCARE
ENVIRONMENT	<ul style="list-style-type: none"> <li>• Dozens of major tech stacks with no clear pathway to entry-level positions</li> <li>• Millions of jobs are not IT but rather business positions requiring specific tech/platform skills</li> </ul>	<ul style="list-style-type: none"> <li>• Experience gaps in licensure positions</li> <li>• Lack of clear pathways to many med-tech and allied health jobs</li> </ul>
HARD SKILLS	<ul style="list-style-type: none"> <li>• Software development</li> <li>• Salesforce</li> <li>• Workday</li> <li>• Cybersecurity</li> <li>• ServiceNow</li> <li>• Data analytics</li> <li>• Quality assurance</li> <li>• AI/RPA</li> <li>• Digital marketing</li> <li>• E-commerce</li> </ul>	<ul style="list-style-type: none"> <li>• Physical therapy</li> <li>• Sonography</li> <li>• Occupational therapy</li> <li>• Pharma technicians</li> <li>• Surgical technologists</li> <li>• Respiratory therapy</li> <li>• Nursing</li> <li>• Lab / clinical tech</li> <li>• Genetic counseling</li> <li>• Health informatics</li> <li>• Lab technicians</li> </ul>
+ DOMAIN KNOWLEDGE	<ul style="list-style-type: none"> <li>• Healthcare</li> <li>• Financial services</li> <li>• Logistics</li> <li>• HR</li> <li>• Marketing and sales</li> <li>• Pharma</li> <li>• Education</li> <li>• CRM</li> <li>• Automotive</li> <li>• Nonprofit</li> </ul>	<ul style="list-style-type: none"> <li>• Hospitals</li> <li>• Outpatient centers</li> <li>• HMOs</li> <li>• PPOs</li> <li>• Group practices</li> <li>• Schools</li> </ul>
+ SOFT SKILLS	<ul style="list-style-type: none"> <li>• Communication</li> <li>• Presentation</li> <li>• Organization</li> <li>• Punctuality</li> <li>• Teamwork</li> <li>• Attitude</li> <li>• Project mgmt.</li> <li>• Resilience</li> </ul>	<ul style="list-style-type: none"> <li>• Focus</li> <li>• Conflict resolution</li> <li>• Situational awareness</li> <li>• Empathy</li> <li>• Body language</li> <li>• Flexibility</li> </ul>

# Five Portfolio Companies To Date



SECTOR

DATE ACQUIRED

LMT STATUS



Healthcare IT

May 2020

Launched

Instructional design for online courseware

December 2020

Partially launched

Salesforce

July 2021

Launched

Cybersecurity

August 2021

Launching 2022

Healthcare Staffing (school nurses)

October 2021

Launching 2022



**3**

## **Case Studies**

Fully Launched LMT Programs



# A Snapshot of Impact Across Portfolio of Fully Launched LMT Programs

LMT Programs in our portfolio are re-engineering the future of learning and earning and creating upward mobility



	Total Apprentices Hired	Women Apprentices	Minority Apprentices
Optimum Healthcare IT	119 Healthcare IT apprentices hired	48% Women apprentices in cohort	66% Apprentices of minority background
Cloud for Good	15 Salesforce services apprentices hired	73% Women apprentices in cohort	93% Apprentices of minority background





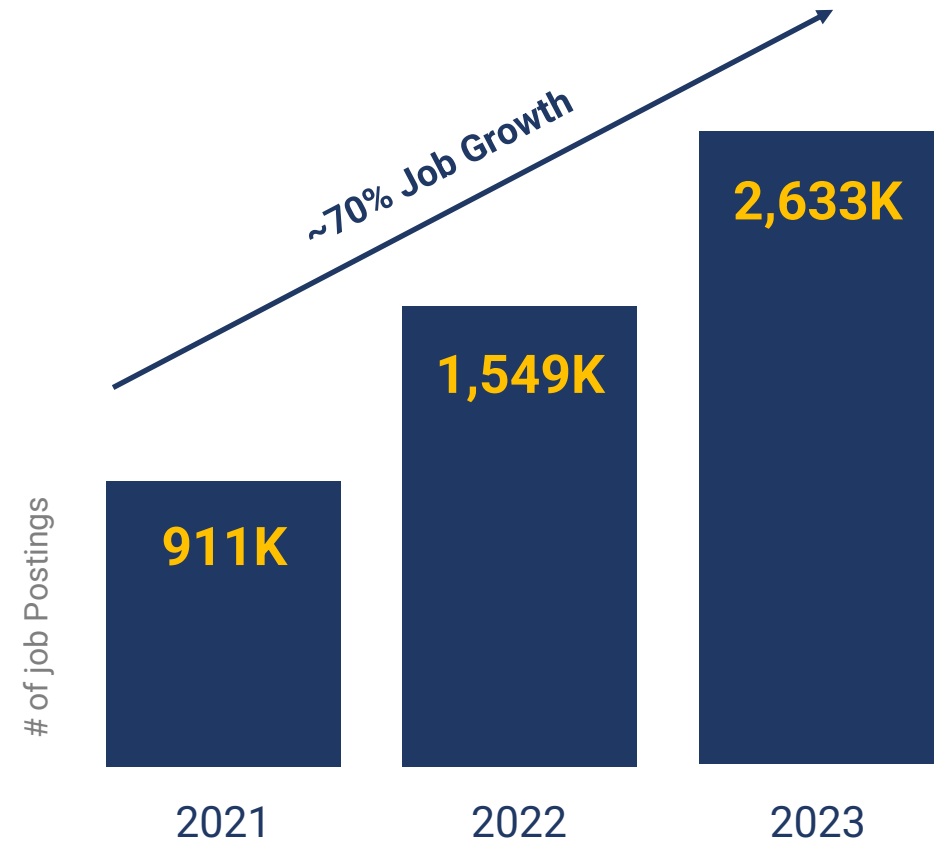


# Impact Case Study

## Optimum

# Optimum Healthcare IT Economic Environment

With over 900k job postings (including for Epic certified analysts), healthcare IT services represents a large and growing market.



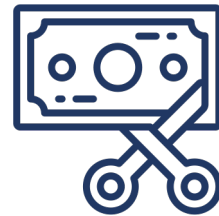
US Healthcare IT Projected Job Postings Per Year

# Optimum Healthcare IT

## Workforce Development Thesis



Electronic Health Records (“EHR”) adoption has led to skyrocketing volume of healthcare data



Hospital systems under pressure to integrate systems and cut costs with better data utilization



Hospitals need talent to achieve these efficiencies



**Talent Shortage Ripe for LMT solution** as Epic is teachable in short timeframe; Optimum Career Path apprentices become Epic certified analysts and convert into FTEs at Optimum clients

# Optimum Healthcare IT

## Net Impact in 2021

### Apprentice Demographics

**61%**

from zip codes with median income <\$40K

**~\$45K**

Starting Annual Salary

**66%**

Identify as BIPOC or Latin/ Hispanic

**48%**

Identify as female

**119**

Healthcare IT apprentices hired, trained in 2021

“We view the CareerPath folks as part of our program now and we fully expect to hire them in the future”

– Jim Feen, SVP & CIO of Southcoast Health



**75%**

Apprentices placed at Optimum clients

**~\$8M**

Run rate revenue from CareerPath program

**4**

LMT Apprentices converted to FTEs at Optimum clients



# Impact Case Study

## Cloud for Good

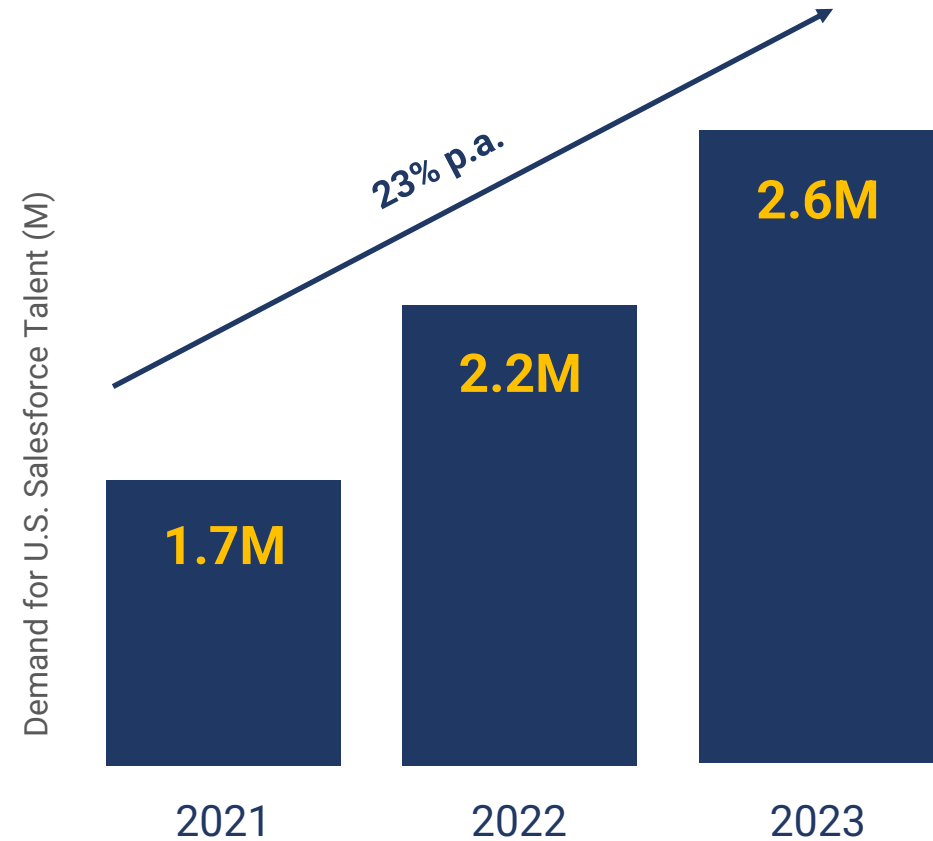


# Cloud for Good

## Economic Environment

With 10.4M job openings expected in the broader ecosystem (core and platform), Cloud for Good built the nations first registered apprenticeship program for Salesforce

Chart only reflects demand for core talent; additional talent needed to support broader Salesforce ecosystem



# Cloud for Good

## Workforce Development Thesis

Salesforce services companies face huge shortage of skilled talent as Salesforce is best learned on the job, and few employers seek to hire newly-minted admins or developers without relevant work experience (experience gap)

### APPLICANTS



**1x**

Salesforce  
developer  
available to hire

### POSITIONS



**2x**

Salesforce  
developer job openings  
avg. salary of \$150K

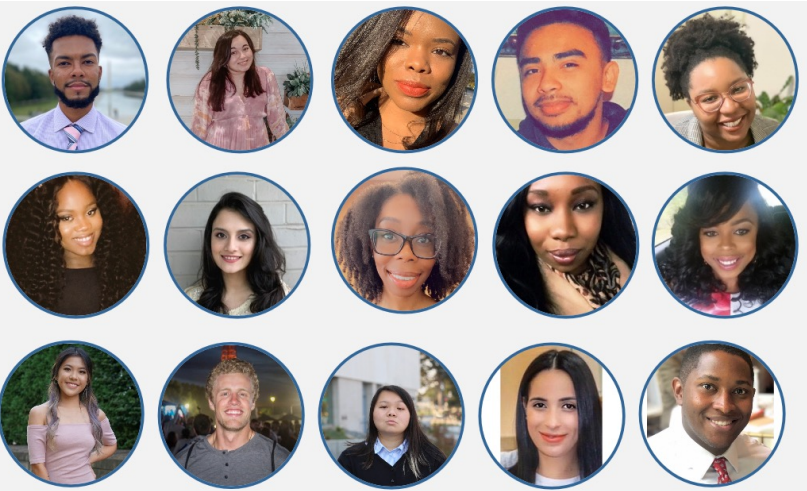


# Cloud for Good Net Impact in 2022

Workforce &  
University Partnerships

Diversity &  
Recruiting

Impact  
Outcomes



**93%**  
Apprentices identify as  
BIPOC or Latin/Hispanic

**~\$55K**  
Starting Annual Salary  
for Apprentices

