



The Recovery Act: A Year in Review

**May 25-26, 2010
Philadelphia, PA**

Session Objectives

- Address misconceptions around On-the-Job Training (OJT)
- Provide an overview of areas for consideration in implementing OJT
- Encourage the use of OJT as a practical and effective tool for workforce development

OJT Misconceptions

- Using OJT means you will be audited by the OIG
- OJT is too complicated
- OJT is ineffective



OJT Is:

- Training provided to a paid participant while engaged in productive work in a job that:
 - Provides knowledge or skills essential to performance of the job;
 - Provides reimbursement to the employer for extraordinary costs of training including additional supervision related to the training;
 - May not exceed 6 months and is limited in duration as appropriate to the occupation for which the participant is being trained.



OJT is *Not*:

- Subsidized or Transitional Employment because:
 - OJT emphasizes training
 - Employers are reimbursed for extraordinary costs of training
 - Skills are documented
 - Participants are given a high priority for future employment upon completion of training
 - Employers are held to contractual commitments

OJT Considerations

- Selection of employers and occupations should ensure:
 - Employers are known and in business in the community
 - Jobs are of sufficient skill level to require more than a short demonstration period for training
 - Same working conditions (wages, benefits, policies) apply as for other similar workers

OJT Considerations (cont'd)

- Training and reimbursement schedules
 - No longer than 6 months, but should be adjusted to reflect complexity of job and training requirements
 - Training outline should be of sufficient detail to demonstrate what skills will be imparted and to evaluate success
 - Reimbursement should reflect policy and appropriate to training requirements and number of hires

OJT Considerations (cont'd)

- Employer Commitments
 - Provide training
 - Provide adequate supervision for trainees
 - First consideration in hiring to trainees upon successful completion

Why OJT Now?

- OJT is proven as an effective training strategy
- OJT is a constructive way to engage employers and may assist in decisions to hire.
- OJT can be combined with other tools such as WOTC to build an attractive package for employers
- OJT allows previously unemployed workers to upgrade their skills and update their resume while earning an income; particularly in a tough economy

Open Discussion

- Overcoming the barriers and moving forward:
 - The system moved away from OJT: What were the challenges? Do they still exist?
 - Sharing successes in maintaining or recommitting to OJT, including overcoming barriers
 - Beyond the OJT NEG: Can the NEG help reestablish OJT as a primary strategy in years to come?