

Six Reasons OJT is Back!

1. Create Jobs in a Job-Loss Recession

Some businesses, especially smaller businesses, are holding back on hiring even as the first signs of recovery have appeared. Even a small training subsidy may be enough to spur new hiring.

2. Serve Dual Customers

The workforce system must focus on labor market “connection services” that bring together supply and demand. OJT helps job seekers find jobs (*now!*) and employers recruit workers without being besieged with hundreds of applications.

3. Train More Customers for Career Pathways

Many job seekers must change careers since their old occupations are disappearing and others are just beginning to emerge. Most frequently, you are not able to leap to new career paths through just improving your resume, since employers consider related work experience very important in making the hiring decision.

4. Respond to Customers Who Don't Want Classroom Training

Not all job seekers do well in classroom training. School may be very scary and it often does not capture the hands-on learning style preferred by many of your customers. Most want to “earn and learn” and not “learn with the potential to earn”.

5. Stretch Your Training Resources

The demand for the workforce system to “train more with less” is ever increasing. Individual Training Accounts continue to grow evermore expensive. It's possible you could double the number of customers you train for the cost of just one \$7500 ITA.

6. Achieve Excellent Program Outcomes

OJT has consistently outperformed other training options with its guaranteed entered-employment and better retention with higher wages. It ensures “training-related” employment without the time consuming, process-heavy, longer-term case management required with traditional classroom training

Nine OJT Tips and Tactics

1. Buy Training---Not Jobs

OJT is not a *hiring* subsidy. It’s a *training* subsidy. It bridges the gap between the existing skills of the new hire and the skills required by the job. Make sure your OJT contracts have a training plan outlining how the skill-gap will be filled.

2. Sell the Person---and Close with the Subsidy

Employers will want to know the “who” first, even if a training subsidy is offered. You will not want to “market OJT”; instead you will want to “market the person” with the added benefit of OJT. OJT is a perfect “deal closer” for an employer who likes the person, but just wishes they had the skills to do the job.

3. Promote at the Time of Job Referral (and After Referral)

When you refer job seekers, make sure you communicate the skills they have and the skills they’ll need and offer OJT as the bridge solution. If you follow-up with employers after referral interviews, introduce OJT to help overcome any hiring objections based on skills.

4. Conduct “Almost” Matching

When employers post job listings, remove just one requested skill element or one work experience qualification. Then, conduct a match to identify the potential OJT candidate pool for marketing to that employer.

5. Simplify Contracts Wherever Possible

OJT contracts must comply with applicable laws and regulations, but do not have to be 30 pages with lots of scary small print. Some programs continue to use contracts that were originally developed in the early 1990's---these contracts scream for streamlining. Make sure you use simple checklists and non-bureaucratic language.

6. Don't Always Reimburse at 50%

OJT regulations permit "up to 50%" reimbursement to employers. The reimbursement amount should be negotiated and depend upon the type of job and the specific employer. Stretch your limited training dollars by making sure you reimburse at no higher percentage than is required to complete the contract.

7. Target Smaller Businesses for OJT Marketing

Training subsidies are more valuable in smaller businesses with their tighter budgets and lower human resource capacity. Job openings are more likely to be in the "hidden job market" with less formal recruitment and hiring protocols. You will want your employer and business services staff to give special emphasis to reaching this target market.

8. "Add Value" During and After Classroom Training

Education and training may get you an interview, but it is often work experience that gets you the job. OJT has built in work experience and is a perfect complement to concurrent classroom occupational training or post-graduation job getting.

9. Promote the Benefit of Your Ancillary Services

What do you get when you get an OJT? It's not just the reimbursement, employers also get: recruitment assistance, candidate screening, a training plan, post-hire support for the supervisor, new hire retention services, and much more. Make sure you sell all of the benefits!

Sixteen Benefit Statements to Promote OJT to Employers

1. You don't have to spend money on a help wanted ad. Why spend extra money if you don't have to?
2. I will work with you to understand the job and what it requires, and send you only those who can be trained to do the job.
3. You will, of course, make the final hiring choice.
4. When you use this service, you won't be bombarded with applicants who are nothing but a waste of your time.
5. If the trainee doesn't work out, you can let them go for good cause.
6. I will stick with you throughout the training period and will be there to make sure the trainee is fulfilling his/her obligations.
7. I will also be able to help the supervisor, if any problems come up---I'll give you my cell number so you can call for immediate help.
8. You and I will work together to see how much training is needed, how long it will take, and how much you will be able to get to cover some of your costs.
9. Do you currently have a formal training program for new employees in this position? If not, I would like to work with you to identify some low cost (but effective) training materials that you might be able to use. You will not only be able to use these materials with this trainee, but for each person you hire in the future.
10. I will make it as easy as possible for you to get the agreed to reimbursements for your training costs. Would you like for me to work with your bookkeeper on how to fill out the forms? If you submit accurate invoices, you can count on having your check within two weeks.

11. I will be the person who will be your single contact on everything having to do with this contract. You won't have to worry about dealing with a bunch of different people.
12. Did you know Jack was in the Army for 4 years? He needs the specific job skills training you can offer, but you won't have to worry about him being able to take orders and having the maturity to do the job.
13. Let me share with you a list of other companies with whom I have worked and who have decided to use OJT. Here are the names and phone numbers, so you will be able to call and see what they liked about it.
14. Unlike personnel agencies, when you use this service you never have to pay a fee.
15. By the way, did I tell you that when you hire Susan, you will also get a Work Opportunity Tax Credit worth \$XXXX. There's a little bit of paperwork---but I'll take care of it for you!
16. One of the good things about OJT is that you get to train people the way you want them trained. Have you ever noticed how you have to train everyone that is hired, anyway? At least with OJT, you know what you are getting.

Now is the time to:

- streamline OJT policies,

- train staff in how to effectively market OJT in a tough economy, and

- develop Center customer-flow protocols to successfully connect job seeker and employer staff.

Greg Newton would like to help!

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