

# On-the-Job Training Overview

## Training Cost Reimbursement for Qualifying Positions

WorkSource supported On-the-Job Training contracts (OJT) can help local businesses train and retain skilled, productive workers. Companies can use OJTs to train promising job candidates who don't have all the skills a position requires and to fill positions that require unique skill sets. For qualifying positions, an OJT contract provides employers in Multnomah and Washington Counties a great, cost effective-way to develop talent.

### How OJTs Work:

#### 1. *An OJT Opportunity is listed with WorkSource Portland Metro*

A WorkSource Portland Metro Representative works with a business to identify its recruitment and HR needs. When an OJT opportunity is identified, the Rep develops a position description stating what skills and experience a job candidate *must have* to qualify for the OJT.

#### 2. *Recruitment*

Once listed, the Account Rep will start searching the WorkSource job seeker database to recruit candidates that qualify for the OJT position.

#### 3. *An OJT training plan is developed for the new employee*

When the business chooses a candidate, a training plan is developed with specific goals to be achieved during a specified time period. The training period can last up to six months, depending on the expected time it takes for a trainee to achieve a satisfactory level of job competency.

#### 4. *WorkSource reimburses for the training investment*

To offset the cost of training, WorkSource reimburses companies for their training investment at 50% of wages paid to the new hire during the training period. The average reimbursement is \$3,500, but specific reimbursements can be more or less. At the end of the training period, the business is reimbursed *for half* of the OJT commitment.

When the trainee is retained for 90 days beyond the training period, the business receives the other half of the OJT commitment.

If the trainee does not meet the training goals, the business is not obligated to retain them.

**See reverse for OJT Example**

## On-the-Job Training Example

A business needs an employee who can operate a furnace to manufacture silicon ingots for solar power. Entry-level furnace operators are paid \$12.50 an hour. If it is determined that it takes three months of on-the-job training for a candidate with a manufacturing background to reach the level of an entry-level furnace operator, the OJT could look like this:

### Sample Training Goals:

- ⦿ Learn specific temperatures and times for silicon crystal growing
- ⦿ Ability to operate and understand furnace functions
- ⦿ Ability to operate furnace at a level sufficient to meet production goals

OJT Training Period Duration: 3 months (13 weeks) OJT Wage: \$12.50 an hour at 40 hours a week

Total reimbursement of \$3,250 to employer after two periods (see breakdown below)

1. OJT End of Training Period Reimbursement: \$1,625

- ⦿ *Wages paid by employer during training period = \$6,500*
- ⦿ *50% of wages paid during training period = \$3,250 (total OJT commitment)*
- ⦿ *Half of total OJT commitment = \$1,625 (reimburse at end of OJT training period)*

2. End of Retention Period (90 days of regular employment after training period) Reimbursement = \$1,625 (the remainder of the total OJT commitment)