



TUITION ASSISTANCE PROGRAMS: BEST PRACTICES

Lloyd Peterson, Former Vice President, Education, EdAssist
Sandy Womack, Director, Adult Education, EdAssist

Over 90 percent of companies offer some type of Educational Assistance program for their employees. Some programs are limited to a few classes recommended by management, but many programs include reimbursement (or even pre-pay) for certificates and entire degree plans.

Many companies use educational assistance as a way to recruit and to retain employees, knowing that their competition also offers a way for employees to be paid for their education. In the technology industry, for example, there is competition for talent at all levels from entry level through mid-management and into the executive ranks. It often times takes more than a compensation package to compete for such talent. Over the years paying for Education Assistance has been considered an effective recruitment and retention tool.

An increasing number of corporations are now using tuition assistance as more than a tool for recruitment. These companies advertise their program and encourage its use; they recognize graduates and consistent graduation rates are celebrated as part of the company culture. Metrics and analytics are carefully put in place to measure success of the program. Most importantly, a concerted effort is made to strategically align the tuition assistance curriculum with company-wide career development and talent management initiatives. These corporations see tuition assistance as a strategic investment. In a Bersin and Associates Industry Study dated January of 2009, Chris Howard writes an extensive review of Tuition Assistance Programs (TAP) in an article titled, "Best Practices for Maximizing a Key Talent Investment". In it Howard offers 4 levels of Tuition Assistance Program Maturity Models and gives case studies for each Best Practice. Howard stresses aligning TAP with Talent Management for best results and value from education assistance programs.

Additional Best Practices include:

Formal relationship between human resources and learning. Creating formal dialogue and a working relationship between human resources, under whom tuition assistance often falls, and the learning/development department, where the classes are offered and managed, is critical. This relationship reflects a true understanding of the

challenges facing TAPs, and effort to resolve these challenges. Challenges may include deciding on handling the program in-house or outsourcing to a Tuition Reimbursement Administrator like EdAssist. If the company decides to manage the program in-house then additional decisions must be made, including naming the persons or groups who will administer program, manage the budget, and train the employees.

Outlining clear goals for the TAP program. It is important for the company and for its employees participating in the TAP that goals are clearly outlined and accessible. Of course individual employee goals will vary. Yet company-wide goals might be "promoting leadership" or "promoting skills and education for all employees, at all levels".

Saving tuition dollars. A maximum dollar amount per year per employee may save tuition dollars. Other practices for saving tuition dollars are encouraging employees to use community college, less expensive schools, or by providing Educational Counseling. Educational Counseling can help an employee select the best program and progress through that program more efficiently to save tuition dollars. Companies such as EdAssist can provide academic advising for employees.

Measuring success of the program. Is success measured by the number of employees in the program or the number of graduates or promotions? Or, is there some other form of measurement to consider? Companies use different metrics and benchmarks, some internal, some industry-wide. Yet all have a system in place to measure TAP outcomes.

Improving quality of the program. Making certain that curricula/training/certification are meeting company and employees' needs, ensuring employees take the most direct path to completion, and effective customer service are ways to improve the quality of your TAP.