

# Pros and cons of tuition assistance

**Q. I am the HR director of a midsize company. I am currently evaluating additional benefits that my company can provide to help us attract and retain talent. One of our employees suggested a tuition-reimbursement program. Can you describe some of the pros and cons of such a program?**

**A.** On the positive side, such programs truly provide a benefit to employees by helping them gain knowledge and education. An employee who is able to earn a degree at the employer's expense and who utilizes that degree to advance within the company is likely to be loyal and committed.

On the other hand, employees who receive degrees through tuition-assistance programs may become disgruntled if their new degrees do not lead to an immediate increase in salary. Furthermore, tuition-reimbursement programs are expensive, and many employers offer the benefit to only a relatively small portion of the work force. There is also the problem of what to do if an employee quits or is fired in the middle of his or her course work after receiving significant reimbursement sums.

Should you choose to implement such a program, give considerable thought to how you expect it to benefit your company, whether the company will limit the course work for which reimbursement is available (perhaps by requiring advance approval of classes) and whether and to what extent you will require employees to repay the company if they quit or are fired within a specified period of time after you reimburse their education expenses.