

MORE COMPANIES ARE OFFERING COLLEGE TUITION TO EMPLOYEES



Summary: Companies offer up to four years of tuition for free to employees in hopes that they will be able to use their talented and educated workforce for other positions.

An increasing number of companies are creating opportunities for their employees to earn a college degree. The latest company to start a pilot program is Anthem, one of the largest health insurance companies in the U.S.

Starann Freitas worked for Anthem as an administrative assistant, scheduling meetings and answering phone calls. She was 52 and had never received a college degree. Just over a year ago she enrolled in [Southern New Hampshire University's](#) College of America program to get an online associates degree. She graduated in a year and was soon after promoted at work. Freitas said, "My supervisor sat me down and said it was time for me to move on and use my skills in a better position." The best part was her degree was paid for by Anthem.

The pilot program that Anthem started is already being expanded. The company will now pay for all employees that work a minimum of 20 hours a week and have been with the company for at least six months to get an associate's or bachelor's degree from Southern New Hampshire University. The University has an online program called College for America.

[Starbucks has teamed up with Arizona State University's](#) online program and will cover four years of tuition for its employees. Originally, they were only going to cover two years. Fiat Chrysler Automobiles will also be pairing up with Strayer University's online program to start a college tuition program for dealership employees.

Companies are taking a risk by offering to pay for their employee's tuition because there is no guarantee that they will stay with the company or finish a degree. The risk is worth it for the companies if they can [prevent recruiting and training new hires](#). They would much rather [promote from within](#). The biggest struggle is getting employees to finish their degrees. Online programs have low completion rates.

Over half of Anthem's 55,000 employees do not have a college degree, so they are hoping that their employees will take advantage of the program so that the company has a larger pool of internal talent to use when filling positions.

Source: <http://www.bloomberg.com/news/articles/2015-06-03/why-big-companies-have-started-to-send-their-employees-to-college>

Photo: bloomberg.com