

## CAN YOUR EMPLOYER TAKE ON YOUR STUDENT DEBT?

**Summary:** Is there a way to have an employer help pay off your college debt as part of the benefits of a new job? Find out in this article.



**Question:** I'm graduating this year, and I recently accepted an IT analyst position at a prominent Fortune 500 company. My four years of college have cost me nearly \$60,000, and I was wondering how I might go about working a deal with my company to have them assume my student debt. Have you heard of this being done, and do you have any suggestions for negotiations?

**Matt:** A few years ago, this type of proposal may have raised eyebrows at the assumption that an employer would even consider covering your student loans. But this is a new millennium — companies are scrambling for IT talent and anything is negotiable. Country club memberships, stock options and flexible work arrangements are among recent bargaining chips that were unimaginable before the recent labor shortage. According to industry contacts, if you are in a high skill-high demand field (like IT), you have considerable leverage in the options that employers are willing to consider. A precedent has been set with startups and law firms, desperate for talent, to agree to huge signing bonuses and bonuses again after a set number of years.

That's not to say that covering your student loans will be an easy sell. While a few employers may agree to pay off the loan over a period of time, most are less inclined to get involved in the actual payment of your loan even with the most desirable candidates. Companies are more likely to award a sign-on bonus and annual bonuses that allow you to spend this additional discretionary income in whatever way you see fit. Decide ahead of the negotiations what you are trying to accomplish and consider which approach will meet your needs and provide a reasonable option for the employer. You might shoot for an increased salary, which will offset your tuition payment, or negotiate a no-interest loan with your employer.

Whatever route you decide to take, say it all with a smile, reaffirming your interest in the company and keeping the door open for further negotiation in case you overshoot their threshold.