

EMPLOYER-PAID TUITION ADVANCEMENT FOR LOW-INCOME WORKERS

NATIONAL FUND FOR WORKFORCE SOLUTIONS REGIONAL FUNDING COLLABORATIVE

SkillWorks, Boston, Massachusetts

WORKFORCE PARTNERSHIP

Healthcare Training Institute—JVS Boston

EMPLOYER

Children's Hospital Boston

PROGRAM

Bridge to College

Alicia, 32, has been a hospital phlebotomist for seven years. She earns \$12 an hour, more than she would earn at many jobs available to high school graduates but far less than this single mother needs to support herself and her son. Better-paying health care jobs typically require a postsecondary credential, but at \$300 per credit, community college programs are too expensive for Alicia. Moreover, after being out of school for several years, the time commitment and rigor of traditional academics poses a significant challenge for a single parent. Alicia makes a life-changing decision: She sends her son to live with his grandmother out of state so she

can dedicate herself full time to her studies and work. She has tried to go to school before without academic or family support but was not successful. She now has another opportunity through a new program supported by her employer, but one more hurdle remains: How to pay for her classes and achieve her degree.

Alicia is not alone. According to a 2005 U.S. Department of Labor study, nearly 37 million working adults would like to participate in further education but cannot do so. As a result, millions of low-wage workers are stuck in dead-end jobs with



little opportunity for advancement. Many employers offer tuition support to their employees, mostly as reimbursement-based benefits. However, few lower-income workers can afford the initial outlay for tuition. Further, most of these programs are limited to study toward a Bachelor's degree or higher, again leaving out lower-income workers who would typically seek out a certificate program to gain more rapid advancement to better jobs.

After several pilot efforts with different kinds of tuition programs, Children's Hospital Boston introduced a new "tuition advancement" policy: the hospital prepays college tuition for low-income, entry-level workers who are seeking degrees within a defined set of high-growth, high-demand jobs. CHB adopted this policy in January 2010.

» HOW THE PRACTICE WAS DEVELOPED

Much of the groundwork for the tuition-advancement program began as a series of small steps in 2008. CHB's Nursing Career Lattice Program seeks to increase the number and diversity of nurses by addressing barriers to pursuing a nursing career. The program provides access to financial and educational resources reserved for diverse populations. These include individual mentoring, counseling, and financial support to complete nursing school and opportunities for a reduced work schedule to allow time for educational commitments. Financial assistance is available in the form of tuition vouchers and stipends to offset the cost of textbooks, nursing uniforms, and equipment.

Conversations with nursing education staff and others revealed needs in high-growth, high-demand jobs at the hospital. This led to small-scale academic programs, with a few students, for such jobs as medical laboratory technicians and surgical technicians. CHB offered a form of tuition or loan forgiveness in exchange for a commitment to remain working at CHB at least one year after

graduating. Some initial guidelines were also created for including some certification programs into an existing tuition assistance program.

A 2008 survey conducted by the Workforce Development team at CHB showed that financial concerns were a major barrier to attending college for half of its employees. The survey also revealed that employees would prefer to seek certifications and Associate's degrees over Bachelor's degrees or higher, at least initially. Many entry-level employees had been out of school for many years or had not developed the academic skills they would need to succeed in college. Both financial help and academic support were needed if these employees were to complete college-level courses.

In 2009, two additional opportunities created further organizational leverage: Patient Care Services at CHB received a five-year grant to strengthen and expand the Nursing Career Lattice Program, and CHB became a partner in the Healthcare Training Institute. HTI is a workforce development initiative funded by *SkillWorks*, the Boston-area regional funding collaborative supported by the National Fund for Workforce Solutions. It is managed by JVS-Boston, a nonprofit agency that partners with employers to hire, retain, and develop productive workers.

CHB's participation in HTI primarily centered around the *Bridge to College* program at the hospital. Supported by the *SkillWorks* initiative, it focuses on helping low-wage, low-skilled employees obtain mid-skilled jobs in nursing and allied health occupations.

Leveraging all of these programs has yielded several benefits to CHB that align with its strategic plan and more specifically to its human capital platform:

- Making the hospital a talent destination and workplace of choice;
- Encouraging career development and the retention of the best talent;

- Filling high-growth/high-demand jobs; and
- Increasing diversity throughout the continuum of care.

For *Bridge to College*, CHB recruits people working in entry-level jobs paying about \$12 to \$17 an hour. The objective is to move these workers into mid-skilled jobs paying \$17 to \$24 an hour. *SkillWorks* funding was designated to support training and coaching that prepared people for high-demand, high-growth occupations as identified by the hospital.

» THE MECHANICS OF THE TUITION ADVANCEMENT PROCESS

CHB’s new tuition-advancement policy supplements an existing hospital-wide, tuition-reimbursement program. For both, the hospital pays up to \$5,000 in tuition and other college-related costs for full-time workers and \$2,500 for part-time workers.

CHB’s Workforce Development department initiated and manages *Bridge to College*. The hospital’s

Workforce Development staff spend about two hours a week on administrative processes and details in collaboration with the hospital’s benefits team.

A three-way link connects the colleges and the Workforce Development and Benefits departments. Once a student has been accepted into a credentialed program and has registered for courses in any of the approved areas, Workforce Development staff reach out to the college’s business office and ask that charges go directly to the hospital, and they authorize the collection of payments. Workforce Development staff then forward a list of enrolled students to the Benefits Department, which processes the payment requests from the colleges.

As with the traditional tuition reimbursement program, students must maintain a grade of “C” in each course to continue accessing the tuition-advancement benefit. If they fall below this grade, they have to repay the course tuition to the hospital through payroll deductions.

THE TRADITIONAL TUITION POLICY	THE TUITION ADVANCEMENT POLICY
Reimburses students tuition expenses after the completion of a course	Pays tuition in advance and directly to colleges
Covers tuition for Associate’s degrees and higher	Covers only certifications and higher in high-growth, high-demand jobs
Company-wide	Covers only workers accepted into the <i>Bridge to College</i> program who are typically lower-wage and lower-skilled
Independent of academic or social supports	Linked to academic supports and career pathways programs
Provides funds only to students who achieve a “C” or better	Requires students to pay back the funds if they do not achieve a “C” or better

CHB applies the tuition benefit to an approved list of academic programs that meet its high-growth, high-demand criteria. This gives workers more flexibility to register in any approved program that has room for them. This is important because enrollment in college programs leading to high-demand, high-growth health care occupations is sometimes limited.

»» THE RECRUITING AND SELECTION PROCESS

CHB uses a multipronged approach to recruit employees to participate in the *Bridge to College* program. Participants come from entry-level jobs in environmental services, ambulatory services, dietary services, and other departments. Typically, their primary language is not English, they have at best a high school degree or GED, and they are in jobs paying about \$12 to \$16 an hour.

The hospital's leadership team is briefed before the actual recruitment process, so they understand who may be affected by employees' enrollment in college. Once the team members understand how the program would affect their operations, they can more effectively plan for staff substitutions and release time, which reduces the impact to business operations. Human resources consultants are also engaged in these planning efforts. "Early support and buy-in from leadership is critical to a smooth program implementation and invaluable in helping employees achieve their potential and advance in their careers," according to Karen Schoch, manager of workforce development and training. She has been instrumental in developing and managing the *Bridge to College* program at CHB.

Information sessions are then scheduled around workers' shifts, and the employees receive application materials to apply for *Bridge to College*. Each applicant must obtain a reference from her or his manager to be accepted into the program, which not only addresses questions about an

employee's commitment to the endeavor but forces a conversation between the employee and their manager about the implications of beginning the program.

»» STUDENT APPLICATION AND ACADEMIC SUPPORTS

After employees receive the application package, the *SkillWorks*-funded *Bridge to College* academic coach helps each of them process the application. In most cases, participants in the *SkillWorks* initiative have a high school diploma or a GED, and they are receiving assistance to fulfill the requirements to take college-level, for-credit courses (e.g., completing developmental education courses, preparing for the college placement test).

Like many lower-income workers, CHB employees who apply for tuition reimbursement face a major barrier in attaining a postsecondary credential: they fail to qualify directly for credit-bearing, college-level courses in programs leading to a credential. In traditional approaches to funding higher education, they would have to use their own money to complete the required developmental courses first. These are excluded from most tuition assistance (public or private) programs, including CHB's tuition reimbursement program.

In addition, placement directly into developmental education is often fraught with difficulty. Without proper guidance, these "workers who learn" can find themselves repeating content they already know or find it too time-consuming and costly to continue. Too often, they drop out before even beginning any credit-bearing coursework. *Bridge to College* provides the funding and academic support needed to succeed in this crucial step to higher education. With the added support of tuition advancement, students can conquer most of their academic and life roadblocks early on in their college careers, priming them for academic success.

The staff of *Bridge to College* test employee-participants on their readiness for college and place them in the appropriate college-preparation courses. Once participants complete these courses, the coach guides them through the process of applying to college, right up to the choice of programs and registering. When the participant enrolls in college, the college bills the hospital rather than the student.

Bridge to College students frequently cite the academic coach as critical to their success. The coach helps with time management and study skills as well as with navigating life challenges that sometimes hamper a student's ability to dedicate more time to studies.

"My coach, Ben, keeps me on track, supplies tutoring if needed, [and provides] pep talks and weekly 'invasions' of my study-time to check in and make sure I am on point," Karen Furtado, an employee at Children's Hospital Boston, said at a *Bridge to College* graduation. "Whether it's tutoring or registering for next semester, [the JVS and Children's Hospital staff] is the best team anyone could have on their side."

»» OUTCOMES

Eighteen months after implementing the tuition advancement program:

- 39 students have passed the college placement test.
- 63 students are participating in pre-college preparation classes.
- 42 students have enrolled in college and are actively taking classes with a 100 percent retention rate in their program of choice.
- Enrolled students have taken a total of 100 college courses, with \$50,654 for these courses in tuition advancement invested up front by CHB.
- Only 2 students have not passed their courses (1 course each); they have paid back \$1,013.

CHB plans to survey applicants about the role of tuition advancement in workers' decisions about attending college. The hospital also will conduct a cost/benefit analysis of the program.

»» KEY ELEMENTS OF THE PRACTICE

CHB's tuition-advancement policy is an effective employer initiative to address a barrier to the advancement of low-income workers. It also suggests lessons for employers, workforce partnerships, and funding collaboratives to consider:

ALIGN THE PROGRAM WITH THE EMPLOYER'S STRATEGIC PLANS AND BUSINESS STRATEGY.

Tuition advancement helps to support a recruiting strategy of turning a workplace into a workplace of choice, as well as a strategy for filling high-growth/high-demand jobs. The hospital had determined that a "grow your own" strategy for meeting its workforce needs could reduce the costs associated with turnover and hiring from outside. *Bridge to College* was aligned with CHB's strategic goals, so it won support at all levels of the hospital, including the executive leadership, which made it easier to implement.

The hospital has not conducted a cost/benefit analysis on *Bridge to College*, but it does review turnover and associated costs regularly to determine its level of investment in workforce development. When it compared these costs to its investment in *Bridge to College*, the hospital determined that enabling employees to attend and complete a postsecondary program strengthened its human capital platform.

BRING IN KEY STAKEHOLDERS EARLY AND BUILD CLOSE CONNECTIONS WITH LEADERSHIP MOST LIKELY TO BE AFFECTED BY WORKERS' PARTICIPATION.

Reaching out to and involving managers and supervisors early on enabled them to plan and manage their operations with minimum impact. In this way, Workforce Development and HR staff gained critical managerial buy-in that the hospital

could develop into “champions” of and allies for the program. This mitigated possible resistance and led to smoother implementation.

ENGAGE EMPLOYEES IN DEVELOPING A PRACTICE THAT ADDRESSES THE NEEDS OF BOTH EMPLOYEES AND EMPLOYERS.

In launching the tuition advancement policy, Children’s Hospital Boston leveraged *Bridge to College* to address the multiple needs of its employees as identified in a 2008 survey: the need for prepaid tuition; the inclusion of targeted certificate programs; and the academic support needed for college preparation and college success.

BUILD ON SMALL SUCCESSES, MODELS, AND PILOT PROGRAMS.

Because the hospital had experimented with nontraditional forms of tuition support and workforce development through pilot programs, it could more easily implement and manage tuition advancement. The new policy was not positioned as a radical shift; instead, it enhanced support at various levels and with various departments over time, increasing the likelihood of success.

Similarly, building on *SkillWorks*-funded college-preparation programs ensured that employees accessing tuition-advancement funds would have the resources they needed to succeed in college and improve their opportunities to advance in careers and earn higher wages. Collaboration with Patient Care and the Nursing Career Lattice Program also provided pathways for workers to advance.

MAINTAIN PARITY IN BENEFITS OFFERED TO ALL WORKERS.

The tuition advancement policy was cost neutral: it did not add to the overall cost of providing benefits to workers, nor did it change the requirements for receiving the benefit.

» WORKFORCE PARTNERSHIPS AND REPLICATION

The grant from *SkillWorks* made the *Bridge to College* program a key leverage point in introducing tuition advancement to a broader group of employees than had received this kind of support under CHB’s previous pilot efforts. Academic coaches and supports that increased the employee’s likelihood of success in college were built into *Bridge to College* and supported by *SkillWorks*, which reduced the financial risk to the employer and made the business case an easier sell.

CHB’s engagement with the workforce partnership and the Boston regional funding collaborative has other implications as well. The Healthcare Training Institute and *SkillWorks* can provide support to replicate the practice in important ways.

CONVENE EMPLOYERS TO DISSEMINATE A PROVEN PRACTICE.

A key function of a workforce partnership in the National Fund for Workforce Solutions framework is bringing employers together to share best practices. Such meetings can be instrumental in encouraging and enabling other employers to test and implement similar practices, programs, and policies. Staff from CHB have presented information on the tuition-advancement policy at Healthcare Training Institute and *SkillWorks* meetings, and other local health care employers have taken notice: they are now considering instituting tuition-advancement practices. This indicates that a workforce partnership is a vehicle for scaling up and spreading effective workforce development practices, with benefits for individual employers, groups of employers, and their employees

BROKER RELATIONSHIPS TO CREATE NEW SERVICES.

Children’s Hospital Boston had a large, well-established tuition-reimbursement program in place before it introduced tuition advancement, and it

used preexisting relationships with colleges as it implemented the new policy. However, not all employers have preexisting programs or relationships with local educational institutions. Such employers might ask:

- Who do we talk to in the colleges?
- How do we start if we don't have a relationship with an educational institution?
- What kind of communication enables a college to bill directly to an employer?
- How much staff time is required to manage the program (e.g., for paper work and to maintain relationships).

A workforce partnership can assist employers both by brokering arrangements between employers and training institutions and by providing start-up workforce development resources.

MAKE THE BUSINESS CASE FOR SUSTAINABILITY.

Bridge to College's academic coaching and support are key components of student success and therefore key to the employer's comfort with providing tuition advancement. However, these services are grant-funded through *SkillWorks*, and both the *SkillWorks* initiative and CHB are considering how the hospital will sustain these services after those grants expire. Will CHB build them into its operating budget? Would that affect the cost neutrality of tuition advancement?

CHB is continuing to review the internal resources it devotes to workforce development and may continue to utilize a hybrid approach of internal and external experts and resources. One thing is clear: continuing *Bridge to College* would depend on making the business case for services like coaching and academic support for its employees. The workforce

partnership or the funding collaborative can either help make this business case or provide or broker this service for employers if more than one employer in the partnership can be persuaded to run this kind of program.

» CONCLUSION

Children's Hospital Boston's tuition-advancement policy addresses a major barrier in the advancement of low-income workers, while meeting the employer's workforce needs.

In some ways, the strategies and methods used by the workforce development staff at CHB in initiating and managing this program suggest the role of an internal "workforce partnership." CHB's workforce development staff convened key partners and stakeholders, recruited workers, aligned different resources and funding sources to support services, brokered agreements between colleges and the hospital, and did a considerable amount of advocacy within CHB to arrive at its desired objective.

While *Bridge to College* and the tuition-advancement program were not created solely because of the hospital's participation in the *SkillWorks*-funded Healthcare Training Institute, it is clear that the institute provided a platform to scale up CHB's practice and provided additional resources, particularly in the form of academic and career coaching, that supported the programs' rollout and implementation.

This practice spotlight was prepared by Radha Roy Biswas for the National Fund for Workforce Solutions and Karen Schoch of Children's Hospital Boston. Thanks to contributors Kira Khazatsky of JVS-Boston and Loh-Sze Leung, director of *SkillWorks: Partners for a Productive Workforce*.

The National Fund and its nearly 300 local investor partners are advancing a new model of engaging employers and preparing low-wage workers for careers that can support them and their families.

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