

"TUITION-AID BENEFITS MAY BECOME A RESOURCE FOR FINANCING THE EDUCATIONAL PURSUITS OF A LARGE NUMBER OF AMERICAN WORKERS."

# INVESTING IN YOUR EMPLOYEES' FUTURE

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Worker education has a long history in the United States. It dates back to early colonial days when working men and women studied technical and cultural subjects to promote their education and advancement. The movement of worker education, however, had its permanent beginnings in the early 20th century.<sup>1</sup>

Today we are witnessing a growing interest, on the part of educators, the federal government, and society in general, in the possibilities for increasing and improving the learning opportunities for adults. Adults are returning to the classroom in record numbers with many pursuing these new opportunities for career reasons.<sup>2</sup>

The expansion of educational opportunities to the adult learner is one of the primary goals of the lifelong learning legislation in the Education Amendments of 1976. The concept and programs of lifelong learning are particularly important in terms of existent and

prospective patterns of career development. While changing technologies require workers to have periodic retraining and education, a broader need for constant adjustment to changing job and social conditions through lifelong learning is also needed. The work place is an important arena for that to occur.

There have been and continue to be clear trends in the world of work and changes in society that have important implications for the education and training of adults. For workers, these have resulted in new collective bargaining agreements, new legislation, and unilateral initiatives on the part of companies and unions to expand their educational opportunities through tuition-aid benefits. Although tuition-aid has existed since the turn of the century, it is only recently that this practice of providing assistance for workers to attend school has become widespread enough to attract serious national attention. Tuition-aid has the potential to meet the objectives of employers, unions, individual employees, and the educa-

tion system. Employers seek improved skills in their work forces and more satisfied employees, unions negotiate for tuition-aid to increase the work opportunities and life chances for their members; employees find new routes to career advancement or improved leisure skills; and educational institutions find a new source of students and revenue.

Surprisingly, tuition-aid in the private sector has been the subject of few systematic studies.<sup>3,4,5</sup> While each of these studies has added to the growing knowledge base about tuition-aid, there is still a great deal to be learned about tuition-aid and its use.<sup>6</sup> We do know that various forms of tuition-aid exist in a large number of companies, and we also know that utilization rates of these plans are very low.<sup>7,8,9</sup>

What these studies suggest is that while tuition-aid plans are generally available to a large number of workers, their use has been limited to a very small percentage, and number, of workers. The primary purpose of this study is to identify barriers that limit the

number of workers taking advantage of these benefits and to suggest ways to remove these barriers. The study reflects the growing interest in and concern about the low rates at which workers, particularly blue-collar workers, are taking advantage of negotiated tuition-aid opportunities. This, then, is a study of negotiated tuition-aid plans in the private sector that cover 1,000 or more workers.

Recent years have seen a significant growth in educational fringe benefits for workers that shows evidence of continuing. The existence of these resources and their use have considerable significance for society, the efficiency of the business enterprise, and the fulfillment and use of the talents of American workers. Little is known about the full extent and character of these negotiated tuition-aid plans and the factors that determine whether workers participate in them. This study seeks to increase this knowledge base.

#### Data

The data analyzed in the present study were collected in the fall of 1977 from 910 workers covered under negotiated tuition-aid plans. An additional 113 questionnaires were returned too late or were incomplete and were not included in the study. These workers were given a 16-page questionnaire which surveyed their demographic characteristics; attitudes about education; and reported social, psychological, and structural barriers to participation in education. The demographic characteristics of this sample of workers show that 82.4 percent are male; 80.6 percent are white; 51.7 percent are 34 years of age or younger; 59.9 percent have at least some college; 68.2 percent work the day shift; 85 percent are hourly workers; and 50.1 percent earn less than \$15,000 per year. The overall demographic make-up of the sample is, thus, similar to that of unionized workers in the nation as a whole.

#### Results and Problems

As we stated, the primary purpose of this study is to identify barriers to worker participation in education and to suggest means of

**Figure 1.**  
**CONDITIONS REPORTED AS PROBLEMS BY WORKERS\***

Condition	Percentage of Workers Agreeing or Strongly Agreeing
My company doesn't give enough encouragement for me to take courses.	56.0%
I don't have enough information about what courses are available.	42.6%
Even if I took some courses, I don't think I'd get promoted or get a better job.	42.6%
My company won't allow me to rearrange my schedule or take time off to attend classes.	39.5%
Because of family responsibilities, I don't have enough free time.	32.9%
The tuition-aid plan does not allow enough variety in the kinds of courses I can take.	32.3%
I am not able to pay in advance for a course even though the company will repay me.	31.9%
Schools don't offer courses at times when I can take them.	29.9%
There is too much company red tape in applying for and getting approval of courses.	27.0%
The tuition-aid plan doesn't pay enough of the cost.	26.0%
My company doesn't really care about the tuition-aid benefits.	25.2%

\*Percentages are based on 910 workers responding.

overcoming these barriers. The discussion that follows presents an analysis of the social, structural, and psychological conditions that affect worker participation in tuition-aid plans. In the discussion, we differentiate between problems related to tuition-aid plans and barriers to worker participation in these plans. Problems are those conditions that a significant percentage of both participants in education and non-participants identify as negative. More than 25 percent of the workers agreeing or strongly agreeing with a statement is considered significant for these analyses.

Barriers are conditions that differentiate workers who participate in education from those who do not participate. An example will clarify this distinction. A *problem* exists if 40 percent of the workers

who participate in education and 37 percent of those who do not participate agree or strongly agree about a negative condition. On the other hand, a *barrier* would exist if 40 percent of non-participants and only 20 percent of participants agree or strongly agree about a negative condition. Thus, barriers are conditions that seem to function as deterrents to participation.

Workers report that there are a large number of problems related to tuition-aid plans. The problems relate to the nature of the plans, school and course conditions, personal and family circumstances, and company or union issues. Figure 1 provides a rough ordering of these problems and the percentage of all workers reporting that a given condition is a problem. Rather than always discussing the agreement or strong agreement of

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workers about a negative condition, we simply refer to a condition as problem or barrier. The percentages reported in the text are derived from a combination of the two response categories "I agree" and "I strongly agree."

Figure 1 shows that course information and a number of company-related issues seem to be the most pressing problems facing all workers. Further, family responsibilities, financial considerations, and school and course conditions also appear to be problematic for a fairly large group of workers. While this exhibit reports summary data, in all cases only minor differences in percentages exist between participants and non-participants in education. In the one case where there is a substan-

tial difference, more participants find the condition to be a problem than do non-participants. Specifically, 30.9 percent of participants feel that tuition-aid does not pay enough, while only 20.9 percent of non-participants feel this way. Since a larger percentage of participants than non-participants report this problem, it is not considered a barrier to the utilization of tuition-aid.

While none of these problems can be considered a barrier under the conditions we have established, it is important to recognize their existence because they more than likely affect the utilization of tuition-aid benefits by workers.

There are two demographic characteristics that are associated with worker participation in tui-

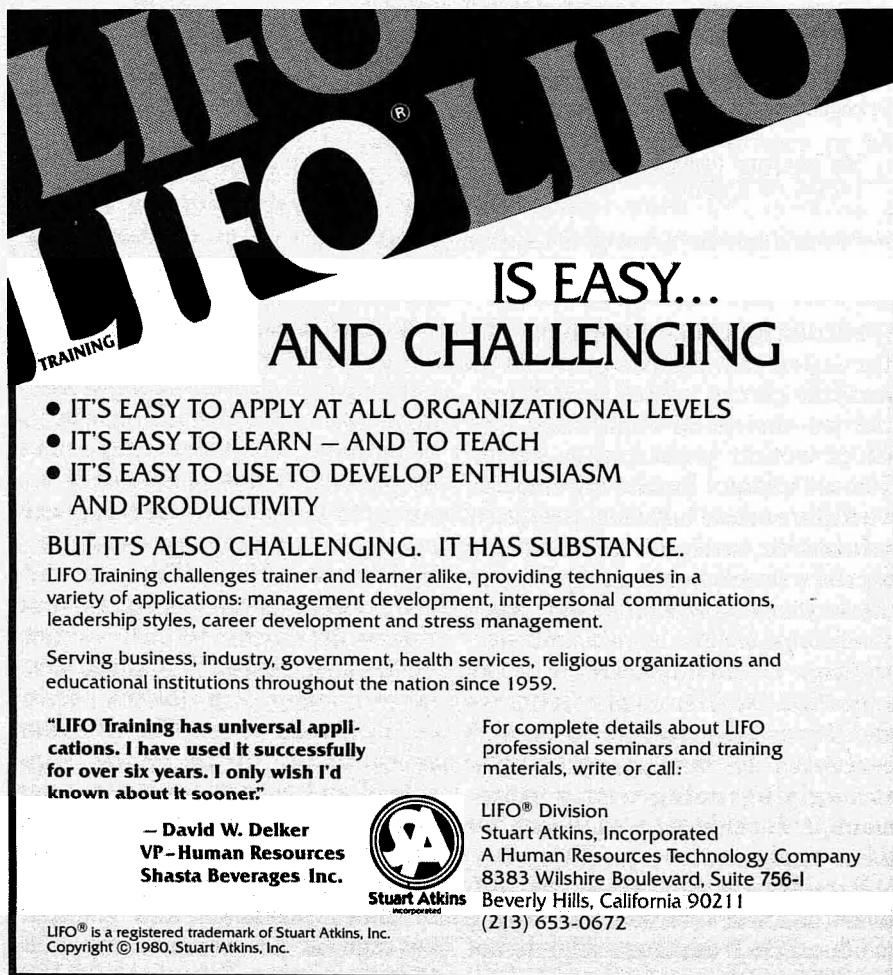
tion-aid plans. In addition, two personal attitudes and two structural conditions seem to act as barriers to participation. Each set will be discussed in turn.

Details of the study show that 37.6 percent of all workers had 12 years of education — high school diploma — or less. When we compare participants in education to non-participants, however, we see that 57.6 percent of non-participants had 12 years of schooling or less compared to only 18.4 percent of participants. This difference of almost 40 percent suggests that there is a strong relationship between prior education and a worker's decision to utilize tuition-aid benefits.

The distribution of workers by age shows that overall, 47 percent of workers are 34 years old or younger. For participants in education, the corresponding percentage is 60.2, while for non-participants it is 33.3 percent. This difference of almost 27 percent suggests that age, much like prior education, has a strong relationship to the utilization of tuition-aid benefits, favoring the younger worker.

The two personal attitudes that act as barriers to participation do so for only a small number of workers. We noted that only 6.1 percent of all workers feel they are "too old to go to school." But when participants in education are compared to non-participants, we see a difference of 9.1 percent — 10.8 percent for non-participants and 1.7 percent for participants. This suggests that for this small group of workers, at least, perceiving oneself as being too old to go to school can be a barrier to utilization.

The study also showed that 8.8 percent of all workers report that they "do not want to take any more courses." While this percentage is relatively low, the difference in the reports of participants in education



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and non-participants suggests, not surprisingly, that this attitude serves as a barrier to the utilization of tuition-aid benefits. Of the non-participants 15.1 percent, compared with only 2.8 percent of the participants, report that they do not want to take any more courses, a difference of 12.3 percent.

Further study of some of the barriers to the utilization of tuition-aid benefits shows that inadequate program information is a concern for 43.6 percent of all workers. When comparing educational participants to non-participants, a difference of 18.4 percent is discovered. Thus, limited information can be a major barrier to the utilization of tuition-aid benefits by workers.

In the study, we noted that counseling is also reported as a concern by a large proportion of workers — 50.7 percent overall. Comparing participants — 46 percent — with non-participants in education — 55.5 percent — shows a difference of 9.5 percent favoring non-participants. This difference

suggests that inadequate counseling services may act as a barrier.

While the two structural conditions discussed may be the only barriers that can be overcome through program alterations, it seems plausible that any barriers associated with age, educational levels, and worker attitudes can be reduced by improved counseling and information. That is, if counseling services are offered for the first time, or are improved, and more and better information is delivered to all workers, it is possible that older and less well educated workers may come to realize they too can benefit from additional education or training. The older worker, for example, may come to see education as a means of planning for retirement, while the less well educated worker may be able to overcome negative feelings about education and learning through counseling.

This information on the problems and barriers related to participation in education by workers is

important for a complete understanding of the problem at hand. Of equal importance for program and policy actions are the workers' reports of their future utilization of tuition-aid benefits if the problems or barriers they identify were removed. Data shows that 68.9 percent of all workers would be likely or certain to utilize the benefits if these problems disappeared. More importantly, 64.7 percent of non-participants in education and 70.1 percent of participants who did not use tuition-aid benefits state that they would be likely or certain to utilize these benefits. In other words, if the problems and barriers could be overcome, a very large proportion of all types of workers report that they would utilize their tuition-aid benefits to pursue further education and training.

#### Program and Policy Recommendations

Negotiated tuition-aid benefits cover a large number of workers throughout the United States.

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"This study has added a great deal to the base of knowledge about negotiated tuition-aid in the private sector."

While tuition-aid was originally conceived as a means to upgrade workers' job-related skills, recent trends suggest that both "what is covered" and "what is considered" job- or work-related under tuition-aid plans have expanded. The general atmosphere in the private sector seems to be favorable to raising the participation rates of workers in education and training through the increased utilization of negotiated tuition-aid benefits.

There are, however, a number of problems and barriers related to tuition-aid and its utilization which must be recognized, understood, and removed wherever possible. In the course of the study, we came to realize that there are four principal parties — workers, unions, employees and educators

— which need to be involved in the development and implementation of tuition-aid plans. Our specific program and policy recommendations are presented for each of these principal parties. These recommendations emerge directly from the data reported in the study or indirectly from the knowledge gained in undertaking the study. Figure 2 presents this set of recommendations.\*

This study has added a great deal to the base of knowledge about negotiated tuition-aid in the private sector. If the information and the recommendations are used by the principal parties involved in the development, operation, and utilization of tuition-aid plans, then tuition-aid benefits may become a resource for financing the educa-

tional pursuits of a large number of American workers.

\*The National Manpower Institute's Worker Education and Training Policies Project is currently undertaking a series of activities which directly respond to many of these recommendations. For more information contact Ivan Charner, NMI, 1211 Connecticut NW, Washington, D.C. 20036.

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Figure 2.

#### POLICY AND PROGRAM RECOMMENDATIONS RELATED TO TUITION-AID BENEFITS AND WORKER EDUCATION

Audience:	Recommendation:
Companies and Unions	Cooperate in the delivery to workers of information regarding the nature and benefits of tuition-aid plans and regarding programs and courses offered by local educational institutions; cooperate in the design and provision of career, educational, and personal counseling services for workers; companies should investigate the feasibility of providing prepayment to workers and unions should bargain for this form of payment in renegotiation of their contracts.
Companies and Educators	Improve the linkage between the work site and educational institutions: investigate ways of making their schedules more flexible to accommodate workers; cooperate in offering educational programs at the work site.
Companies, Unions, and Educators	Collaborate in developing policies regarding educational programs and benefits for workers; special attention should be given to the needs of women and minority workers, in terms of counseling, information, educational programs, and incentives for participating in education and training.
Companies	Reconsider the requirement that courses and programs be job-related and/or broaden what is considered to be job-related; establish career ladders and individual development programs for workers as part of a program of providing incentives for workers to participate in education.
Workers	Provide information to their union representatives and their employers regarding their attitudes and needs related to education.
Federal Government	Stimulate and support further study on educational opportunities in the private sector; encourage and support study of adult workers, particularly blue-collar workers, regarding their life situations, values, and aspirations; take the lead in increasing the dialogue between the United States and Europe about lifelong learning, tuition-aid arrangements in the private sector, and recurrent education; create a Federal Interagency Panel on Worker Education.