

## The evolution of education-based benefits

Changes in the workplace over the past year will come to define a generation including renewed focus on educational benefits. Take a look at how far we've come in nurturing the minds of employees and their families (not just their bodies), igniting a workplace revolution that shows no signs of slowing.



1944

### Formally known as the Serviceman's Readjustment Act of

The GI Bill starts a trend

1944, the GI Bill offered honorably discharged WWII veterans previously unheard of benefits including tuition assistance for educational pursuits. Since 1944, the GI Bill has been updated several times, shaping the workforce for decades to come.

1978

## was introduced in 1978, Section 127 has allowed employers to provide up to \$5,250 per year, per

Section 127 added to

Initially a 5-year provision when it

the tax code

employee in tax-exempt tuition benefits. In 2013, the provision was made permanent and has expanded to include various types of educational assistance.



1983



# innovative companies like

Innovations in onsite

Starting in the 1970s, a recognition

that employees needed better

quality, affordable childcare led

childcare

Patagonia to create onsite childcare options. In 1983, Patagonia launched its program which focuses on the importance of "play" for children. Today, the program has over 150 children, a climbing gym, garden, playground, and offers summer surfing camp. Patagonia's CEO attributes higher engagement, retention, more women in management, and better employee trust to the program.

average of 43 hours of training per year. In addition, that year's No. 4 company, gasket

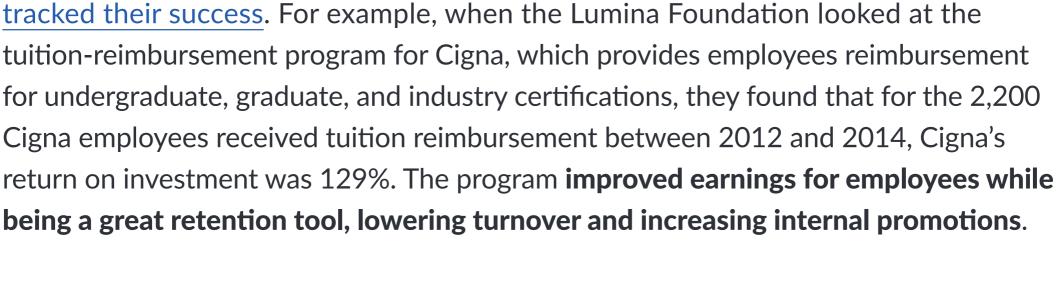
1998



## manufacturer FEL-PRO, also reported offering educational benefits for employees'

Education and training benefits begin to scale

children, including an on-site summer camp and \$3,500 college scholarships. 2012



Studying the impact

2014

As educational benefits became more commonplace across corporations, studies

Rise of online learning

unlocks new opportunities

Online classes gained traction and

Starbucks began a first-of-its kind

University, offering US employees

working an average of 20 hours

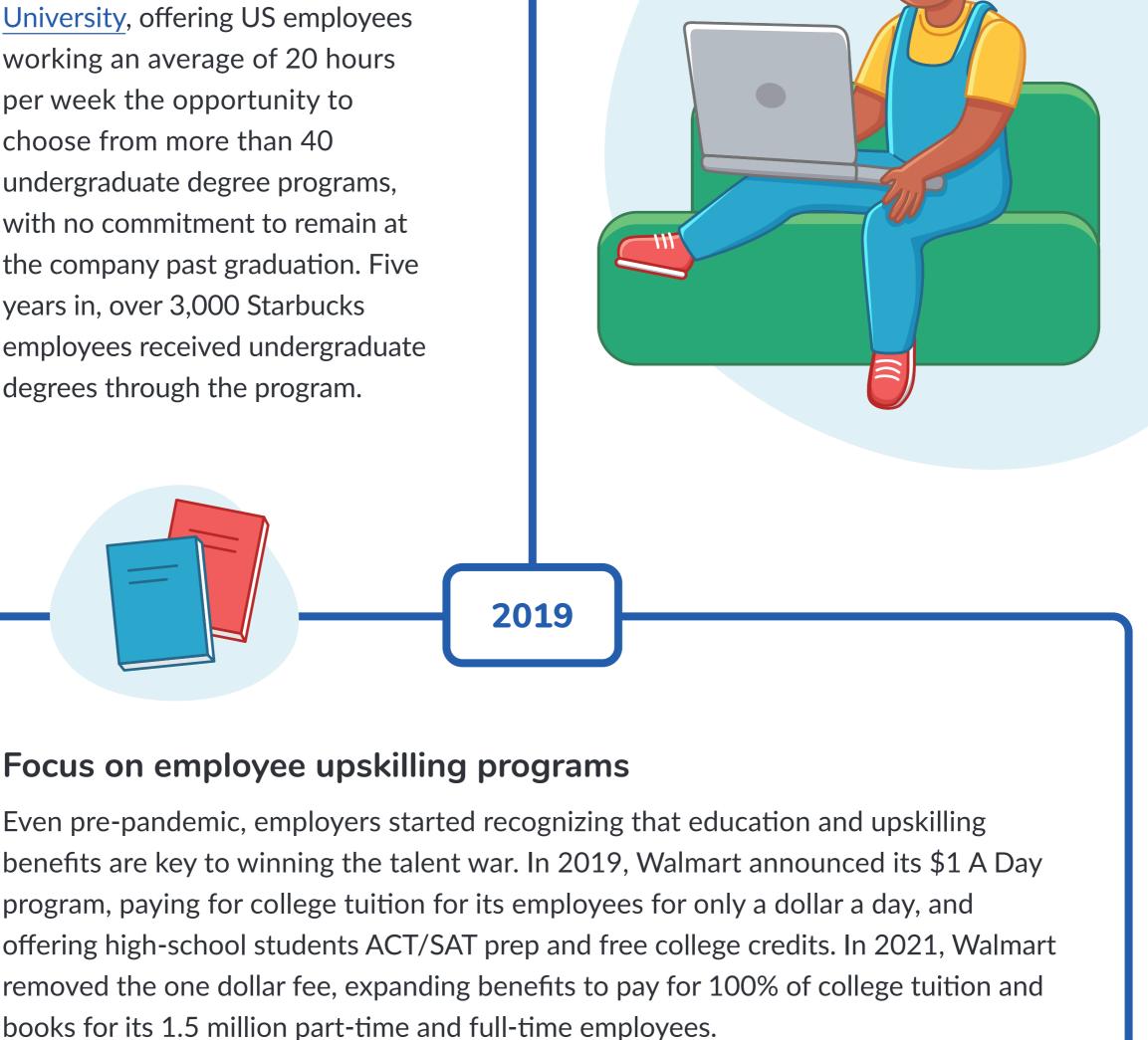
per week the opportunity to

choose from more than 40

employers took note. In 2014,

partnership with Arizona State

undergraduate degree programs, with no commitment to remain at the company past graduation. Five years in, over 3,000 Starbucks employees received undergraduate degrees through the program. Focus on employee upskilling programs



X

Impact of COVID-19 & Remote Work

equitable environment.

educational platforms that foster the skills today's employers say they prize most." -Purdue University President and Markle Initiative member Mitchell E. Daniels, Jr.

What's ahead: The next chapter

education-based benefits, both as a way to attract and retain employees and provide an

for education-focused benefits

We are in a period of momentous change in America... We must

reimagine the way we teach and use today's new tools to design

Target Corporation announced in August that it will offer its more than 340,000 U.S.-based part-time and full-time front line employees the most comprehensive debt-free education assistance program available in the retail industry.

Meanwhile, at the height of the pandemic in July 2020, Twitter

rolled out a free, virtual camp for the children of its employees

via Outschool, an innovative education platform that offers more

than 150,000 interactive online classes, from academic subjects

like English, social studies, science and foreign languages to fun

favorites including video gaming, music, art and dance.

In the tumult of 2020-2021, employers found new opportunities to extend



The wellbeing of our Tweeps is ultimately what drives everything at

Twitter, and we recognize the added pressure and responsibility

parents have taken on at home during this unprecedented time,

balancing childcare while performing their day jobs."

—Tracy Hawkins, vice president of real estate and workplace and

remote experience at Twitter, quoted in hrexecutive.com





## Impact of COVID-19 and remote work Employers embraced unprecedented levels of flexibility during the pandemic, with SHRM referring to this trend of employee requests for flexible hours and remote-work arrangements the

## positive impact on educational benefits, too, giving employees and their families more opportunity to participate in learning and enrichment programs like Outschool.

"new normal." But this shift in physical location can have a

came before them. To attract and retain talent, employers should listen to their needs and desire for their companies to facilitate work-life balance. Opportunities to support professional growth, learning and training are important to this demographic—a win-win in building a workforce that's prepared for whatever the future holds.

Studies show that Millennial and Gen Z employees have different

expectations of workplace benefits than the generations that

Shifting expectations

Renewed, lasting focus on equity The pandemic brought into focus the vast spectrum of employee needs, how companies should be supporting groups like working parents, and how benefits packages can be tailored to support different life stage. For example, in addition to offering benefits for new parents, EY was applauded for also offering a college counseling benefit, designed to help parents of older children. We predict companies that offer support along the parenting

journey will continue to stand out.



Dutschool

