

EMPLOYEE/HR EDUCATION

Family-friendly education

Company scholarships make a lot of sense when it comes to attraction, retention

By Heather Cayouette

These days, attracting, hiring and retaining top talent requires workplaces that reflect the importance of work-life balance and a commitment to employees and their families. One benefit emerging as a competitive advantage is access to a company scholarship plan.

There are typically two types of scholarship programs an employer might offer. The first is a public scholarship in support of a company's corporate social responsibility (CSR) mandate.

That makes sense: CSR initiatives are drivers of employee engagement and retention, according to a 2011 white paper by CR Strategies and Mandrake.

The second type is an employee scholarship program designed to support a company's employees and their families.

This kind of program allows a company to demonstrate the value it places on higher education, as well as its long-term commitment to employees and their families through a direct contribution towards university and college studies.

As with most benefits plans, a scholarship program can be built to support the unique demographics at a company, and can be designed to suit most budgets. A scholarship administrator should be able to guide

the company through the process of setting up the plan, and advise them on what type of program would best suit their needs.

Typical program

A typical program might see a company offering up to 10 four-year, renewable scholarships of \$3,000 per year for students working towards a Bachelor's degree from an authorized Canadian degree-granting institution.

Dependants of full-time employees who have served more than one year with the company will be considered for this program. To be eligible to apply, a student must have a 75 per cent average and demonstrate community involvement through extra-curricular activities as well as through an essay and letters of reference.

If successful, the student must continue to be enrolled full-time and maintain a good academic standing in order to renew his scholarship.

Consider the details

When considering the implementation of a scholarship program, it is important to consider the details involved. The majority are dependent on both an employer's budget and the objective of the program.

If the program, for example, is intended to provide access to education for employees' families, the

employer may consider a non-competitive program that would provide an unlimited number of awards to all who apply — provided they meet the minimum criteria.

The option to make an award renewable, or to distribute funds over multiple years, is another consideration for early in the planning phase.

These options would, of course, depend on an open budget, so if there is a specific budget planned, the employer would instead consider a competitive program where students submit applications for a fixed number of awards.

Logistical details — such as how much to award, how employees will apply, how to ensure the information collected is reliable and how to establish a fair and transparent selection process — will follow once the objective and budget are in place.

It is best for employers to take their time and plan accordingly — it can take weeks or even months to establish these details and ensure the support of senior management.

From there, the preparation of application material, promotion of the program and actual running of an application and selection cycle all must occur before students can be paid.

You will want to factor in the traditional academic year as the majority of scholarships are paid

out in the fall, and also to develop payment channels if the institution is paid directly.

Be sure to learn as much as you can about the various provincial education systems, university or college practices and consider partnering with an organization experienced in administering scholarships.

A scholarship administrator can: help ensure a program is running effectively throughout the academic year; lead a company through the program design, from concept to program launch; manage the application process ensuring fairness and transparency for all employees; manage the renewal process and disbursement of funds either directly to the student or to her university or college; and offer suggestions and improvements for the next launch.

By helping to provide a defensible, arm's-length approach to the selection process and award payment of a company's recipients each year, an employer can rest assured employees and their families will be well-served.

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