



Espresa
Powering Great Workplaces®

Unlock Career Growth, Boost Skills: How Professional Development Stipends Elevate Employee Potential

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Espresa is your partner in employee education and professional development

In this guide, we'll explore how Lifestyle Spending Accounts (LSAs) can support your employees' professional growth and skill development. LSAs are a powerful tool for helping employees feel valued by addressing their individual development needs.

These employer-funded accounts empower employees to invest in their personal and career growth by covering various education and professional development expenses not typically included in standard benefit plans. This flexibility and personalization can make a significant impact by allowing employees to access training, professional certifications, and other skill-building resources to help further their careers and grow within your organization.

Around 20% of our clients offer education or professional development-specific wallets to help employees advance in their careers. Funds are only used when employees take advantage of them, meaning companies can reallocate any unused resources. LSAs allow organizations to invest in services and experiences tailored to employees' unique professional needs. This approach helps consolidate budgets, streamline HR administration, and create an engaging employee development program.



Reimbursement

Automated via payroll or direct deposit



Global Marketplace

Where employees make purchases through the Espresa Marketplace, and your organization is billed afterward



Debit Card

For employees to make purchases with your organization billed for the amount spent

Explore how a Lifestyle Spending Account can support your employees on their professional development journey.

*If you are an employer
please reach out to:
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*If you are a consultant
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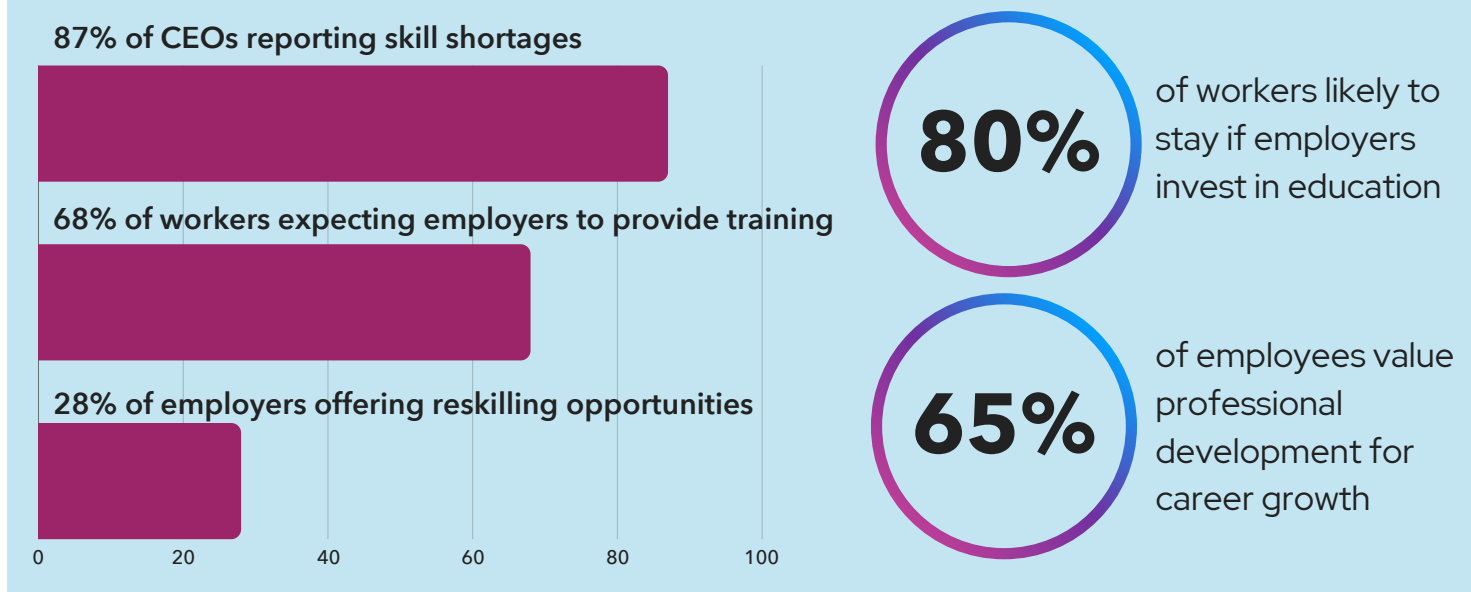
The Impact of Professional Development Stipends

While some companies offer in-house training sessions or mentoring, many professional development opportunities are taken on independently. Lifestyle Spending Accounts (LSAs) can provide flexible financial support for employees to pursue development on their terms—covering everything from course fees, workshop or conference costs, certification programs, or even advanced degrees—allowing employees to invest in the skills that most benefit their career growth.

Workforce challenges continue to impact businesses across industries. According to a McKinsey study, 87% of CEOs report employee skill shortages, a problem exacerbated by the pandemic.¹ Small businesses, however, have proven more agile in addressing these challenges, demonstrating greater effectiveness in upskilling and reskilling employees due to their willingness to experiment with innovative approaches.

Building on these findings, workforce data from the U.S. Chamber of Commerce's America Works Initiative emphasizes the critical role of employers in workforce development.² While 68% of workers view skills training as the employer's responsibility, only 28% of employers report providing upskilling and reskilling opportunities to address these needs. This gap underscores the urgency for employers to invest in education and skill-building programs.

Workforce Development Key Findings



The benefits of such investment are clear: 80% of workers would be more likely to stay in their current position if their employer invests in their education, and 65% of employees identify professional development benefits as vital to career growth. Additionally, 1 in 4 workers is willing to reskill for opportunities in different fields, with education level and job type significantly influencing workers' likelihood to pursue training.

¹ [McKinsey Study](#)

² [U.S. Chamber of Commerce Report](#)

How LSAs can be a Powerful DEI Resource

An Education and Professional Development LSA can also be a powerful tool to support DEI initiatives by creating equitable access to ongoing education and skill-building opportunities for all employees.

By funding skill-building, certifications, and leadership training, employers can help bridge potential income or skill disparities within their workforce. This investment can address skill and leadership gaps by empowering employees at all levels to develop the skills needed to advance into higher roles and can promote internal mobility and professional growth.



Equitable access to career growth

LSAs can fund advanced degrees, skill-building courses, and certifications, ensuring employees from all financial backgrounds have access to career advancement.



Reducing financial barriers for underrepresented groups

LSAs can fund leadership training, leadership training, certifications, or continuing education making skill-building opportunities more accessible and enabling growth into higher-level roles.



Creating pathways for internal mobility

LSAs can complement internal mentorship programs by funding training and certifications aligned with career goals, empowering employees to close skill gaps, advance into leadership roles where diverse perspectives are underrepresented, and foster internal mobility.



Supporting diverse personal and cultural needs

LSAs can cover language classes and cultural resources, fostering inclusivity by recognizing and investing in employees' unique needs.

Beyond Tuition Reimbursement: Flexible LSAs for Comprehensive Career Growth

Tuition reimbursement has long been a popular employee benefit offering. With an LSA, the definition of education and professional development categories can include tuition reimbursement programs, but it can also be expanded to include a number of career development resources that don't typically fall under the tuition reimbursement category.

Employers increasingly use LSAs to meet targeted workforce needs, with 56% of Espresa clients adding focused wallets to their benefit portfolio. These focused LSAs provide flexibility, allowing employees to choose resources like skill-building workshops, certifications, and leadership training.

Espresa can support broad skill development and also tailor programs to target specific needs, such as leadership training or ongoing professional certifications.

The advantage of LSAs is employers can decide what categories they want to cover and determine the scope of reimbursement whether it's targeted or broad. The account can be funded to accommodate a wide range of budgets. Here's how the wallets can be utilized—you can introduce one—or both wallets for your employees.



Targeted Approach: Professional Development Wallet

High-Impact Variable Cost

This approach is ideal for high-cost, low-utilization professional development needs, providing significant financial support.

The funding of a targeted LSA varies based on employer goals and offerings. Among Espresa clients, the median annual amount is \$5,250 aligning with tax limits and commonly covering job-related education, training, and professional certifications.

Broad Approach: Skill Development as Part of a Broader Wallet

Broad-Impact Predictable Cost

A broad LSA typically offers lower annual financial support, ranging from \$500 to \$2,000, and covers a variety of categories such as education, skill development, and professional growth. Employers can include opportunities for career advancement—like workshops, online courses, and coaching, that aren't typically covered by traditional tuition reimbursement programs.

Education and Professional Development Wallets: Empowering Employee Growth

A targeted LSA can provide focused support for professional and educational development needs, allowing for greater investment in high-cost skill-building opportunities. By directing funds specifically toward professional growth, employers can offer a meaningful, high-impact benefit that directly supports career advancement and personal development.

A targeted LSA investment showcases your company's commitment to fostering employee growth. This approach can increase talent attraction and retention by positioning your company as a leader in career-supportive, employee-centered policies.

These services may often come at a higher price tag that employees are unable to invest in on their own, but these skills are often vital to their professional development and to your organization's needs. Often, we see our clients limit eligible expenses to those that directly apply to the employee's current job or career path. If preferred, Espresa can also facilitate manager approval for these expenses.

Example Wallet Uses

Professional Development Wallets

- Undergraduate or graduate education, including advanced degrees
- Student loan repayment support
- Leadership development and training programs
- Advanced certifications or industry-recognized credentials
- Conference registration fees
- Professional coaching sessions
- Technology training for specific software or programs
- Language courses for expats or managerial roles

Skill Development Wallets

- Technical skills, Software training
- Coding boot camps
- Data analytics and financial literacy courses
- Project management certification
- Leadership & Management Training
- Leadership workshops, Management skills training
- Communication & Public speaking
- Negotiation and persuasion techniques
- DEI and Unconscious bias training
- Cultural competency workshops
- Inclusive leadership courses
- Language classes & Cross-cultural skills
- Workshops on navigating cultural differences in the workplace

Flexible LSA for Skill Development: Supporting Growth Across your Organization

A broad LSA can support diverse needs, giving you the freedom to direct funds toward categories like skill-building classes and workshops along with other education-related expenses, including textbooks or online courses. This approach allows you to predict your annual budget while enhancing the overall employee experience with flexible, growth-focused benefits.

While a number of services could be considered under this category, we've outlined a few to help you get an idea of how this wallet could be integrated into your company's initiative.

When launching your Education and Professional Development LSA, your Espresa implementation partner will help you establish program guidelines and reimbursement specifics. Some elements you'll want to address will include:

- ✓ **Determine Eligibility**
Decide if the program is available for all employees or for specific groups.
- ✓ **Define Eligible Expenses**
Define covered items like tuition, fees, textbooks, and course materials.
- ✓ **Reimbursement Process**
Specify the required documentation, internal verification steps, and reimbursement timelines.
- ✓ **Reimbursement Policy**
Avoid debit cards; work with Espresa to develop a tailored reimbursement approach.

We understand organizations may have varying definitions of professional or skill development. If you'd like to discuss in more detail, contact sales@espresa.com.



The Espresa Global Marketplace

Espresa's Marketplace allows employees to use LSA funds for eligible goods and services on our convenient Marketplace—employees do not need to enter personal payment information, wait for reimbursement, or deal with unnecessary hidden fees.

Employers pre-fund the account to ensure a simple and seamless experience for employees. Marketplace products and services are offered at competitive pricing, often discounted by 5% to 30%, and fulfilled by local vendors. Our Marketplace is continuously updated to provide cost-effective options tailored to the diverse needs of your global workforce across various regions.

Sample Professional Development services available on the Espresa Marketplace include:

- Affinity Resources EBB - Mental Fitness & Effective Feedback Coaching (33% discount)
- Audible/Amazon - Professional Development-related books
- Babbel & Rosetta Stone - Language Learning (10% discount)
- MasterClass Membership (9% discount)
- Udemy Classes - e.g., Master Cognitive Biases and Improve Critical Thinking, Recruitment Interviewing Essentials, Practical Leadership (10% discount)
- And much more!



For details about specific programs offered on the Global Marketplace please reach out to sales@espresa.com

Broadening Education Support: LSAs for Diverse Educational Needs

Professional Development LSAs are specifically focused on employees' future education and career growth, but many employers also want to support broader educational needs like student loan repayment or funding for a child's education. For organizations committed to offering comprehensive education benefits, an Espresa Education LSA streamlines administration while addressing employee needs.

You can set specific utilization rules, such as limiting funds to loan repayment, 529 education savings accounts, or tuition reimbursement. This approach helps employees manage high-cost educational expenses while allowing you to provide a meaningful, high-impact benefit that can improve retention and attract top talent.

You can set up an LSA to handle education-related expenses:

- Tuition reimbursement – both undergraduate and graduate
- Student loan repayment
- Annual professional certifications
- Saving for your child's education
- Course-related lab and book fees
- College preparation services
- Dependent education costs

Education-Focused LSAs to Support Employee Growth and Retention



80% of large employers offer tuition reimbursement³

³ WTW Survey.

Important Considerations

If you're considering adding an Education and Professional Development wallet, here's what you should keep in mind:

Taxation Considerations

LSA may include both taxable and non-taxable services. Espresa handles tax reporting and provides detailed feedback to the employer, ensuring transparency and ease of administration. During implementation, we work closely with you to determine the appropriate taxation setup and procedures.

International Considerations

Education assistance programs are widely valued around the world, with several trends emerging globally:



Job Relevant Education Benefits:

Many companies prioritize support for courses or certifications directly tied to job roles, often requiring a commitment to stay post-completion.



Advanced Degrees and Language Training:

Employers frequently fund high-cost programs like MBAs or PhDs for management roles, along with offering language training.



Partial Funding and Tax Incentives:

Partial funding models are common, and some countries provide tax incentives for employer or government-sponsored training.








Dependent Education Benefits:

While less common, some countries extend education support to employees' dependents.

These trends highlight a focus on retention, professional relevance, and cost-efficiency in global education assistance programs.

Checklist for Implementing a Professional Development LSA

-  **Inventory Current Programs:**
Review existing programs, tools and reimbursement programs to assess whether a broad, targeted, or blended LSA aligns best with your organization's needs.
-  **Understand Your Population's Needs:**
Do your employees have annual professional certifications they need to obtain? Are there continuing education credits you need to keep track of? Are there skill gaps in your organization? An LSA can address these needs and help provide consistent professional development support and equitable growth opportunities across your organization.
-  **Identify Gaps:**
Consider if your current offerings cover diverse skill-building needs, including accessibility, to ensure an inclusive approach.
-  **Streamline Administration:**
Leverage LSAs to simplify management. Consider moving your current student loan reimbursement program to an LSA so that you can easily administer a number of LSA wallets from one convenient administration platform.
-  **Develop Ongoing Program Evaluation Criteria:**
When implementing an LSA, don't forget to establish a policy review process in which the program is evaluated whenever components are modified, including company policies and changes to tax laws related to education reimbursement benefits.



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[Download the Sample Tuition Reimbursement Policy Template](#) 

LSA: Supporting Professional Growth and Development

A Lifestyle Spending Account (LSA) can be a powerful addition to your benefits program, especially for supporting professional development and skill-building. With an Espresa LSA, your employees can access funding for certifications, career training, and personalized growth opportunities, allowing them to focus on what matters most to their career advancement.

Contact us today to get started.

If you are an employer reach out to:
sales@espresa.com

If you are a consultant reach out to:
consultants@espresa.com

