Employee Value Proposition

*Do we have one? Do we need one? How do we get one?*
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Agenda

1. What is an Employee Value Proposition (EVP), and why is it important?
2. Developing your company’s EVP.
3. EVPs across the generations.
It’s a Jungle Out There

Trends with Impact

• Today's job seekers want things that aren't conveyed in typical job postings.
• Companies do a poor job of conveying their brand promise to job seekers.
• You may think your perks are helping retaining employees – but are they?

91% of employees say the last time they changed jobs, they changed companies to do so.
54% of Americans say now is a “good time” to find a quality job.
51% of U.S. workers overall -- and 60% of Millennials -- are considering new employment opportunities.
46% of employers are having difficulty filling jobs.

Gallup Business Journal, December and April 2017
Manpower Group US Talent Shortage Survey 2016/2017
Today’s Hardest-to-fill Jobs

1. Skilled Trade Workers
2. Drivers
3. Sales Reps
4. Teachers
5. Restaurant and Hotel Staff

Manpower Group US Talent Shortage Survey 2016/2017
Today’s Hardest-to-fill Jobs

- 6 Acct / Finance
- 7 Nurses
- 9 Engineers
- 8 Laborers
- 10 Techs
What Should We Do?

Infuse your employer brand promise in job seekers' experiences by:

• Knowing what makes your company unique
• Making your pitch on a human level
• Making critical first impressions
• Standing out to potential future employees
• Aligning talent strategy with the business strategy
• Embracing new people practices and discovering untapped talent pools
• Promoting your company’s Employee Value Proposition to become a talent destination
Employee Value Proposition (EVP)

The value or benefit an employee obtains through employment

The value of an organization’s employment experience

A unique set of offerings and values to positively influence target candidates and employees

Built around the company’s core mission and values

Focuses on what matters most to employees

Designed to establish and reinforce the public’s image of the organization’s vision, culture, work practices, management style and growth opportunities
What’s in an EVP and What Does it Do?

An EVP includes:

- The range of tangible rewards such as pay and benefits
- The range of intangible factors that do not show up in a pay check or on the benefits statements but nonetheless carry high value

EVP Benefits:

- Attract, engage and retain top talent.
- Illustrate what employees and candidates can expect.
- Ensure a consistent experience from recruitment through employment.
- Create line-of-sight to the culture.
- Positively impact employee engagement.
- Create appeal across all employee groups.
- Help prioritize HR agenda and reduce costs.
- Develop a competitive advantage.
Why Do You Need an EVP?

To create a strong *people brand*

- The quality of people is important, just like an organization’s products and services.
- Your brand resides within the hearts and minds of employees, customers, clients, and prospects.
- It is the sum total of their experiences and perceptions, some of which you can influence, and some that you cannot.
EVPs are Everywhere

Every organization has an EVP.

It just may not be defined, refined or communicated.
Develop Your Company’s EVP
EVP Development

1. Leadership working sessions, data gathering, rewards inventory, focus groups, key themes highlighted

2. EVP statement, approval, philosophy guide, measurements, creation of visual system

3. Leadership training, employee communication, integration of EVP elements throughout employee lifecycle
# Total Rewards Inventory

## Compensation
- **Base Wages**
  - Salary Pay
  - Hourly Pay
  - Piece Rate Pay
- **Premium Pay**
  - Shift Differential Pay
  - Weekend/Holiday Pay
  - On-call Pay
  - Call-in Pay
  - Hazard Pay
  - Bi-Lingual Pay
  - Skill-Based Pay
- **Variable Pay**
  - Commission
  - Team-Based Pay
  - Bonus Programs
  - Referral Bonus
  - Hiring Bonus
  - Retention Bonus
  - Project Completion Bonus
  - Incentive Pay
- **Short-term**
  - Profit Sharing

## Benefits
- **Health & Welfare**
  - Medical Plan
  - Dental Plan
  - Vision Plan
  - Prescription Drug Plan
  - Flexible Spending Accounts (FSAs)
  - Health Reimbursement Accounts (HRAs)
  - Health Savings Accounts (HSAs)
  - Mental Health Plan
  - Life Insurance
  - Spouse/Dependent Life Insurance
  - AD&D Insurance
  - Short-Term/Long-Term Disability Insurance
  - Telemedicine
- **Work-Life**
  - Workplace Flexibility/Alternative Work Arrangements
    - Flex-Time
    - Telecommuting
    - Alternative Work Sites
    - Compressed Workweek
    - Job Sharing
    - Part-Time Employment
    - Seasonal Schedules
- **Paid and Unpaid Time Off**
  - Maternity/Paternity Leave
  - Adoption Leave
  - Sabbaticals
- **Health and Wellness**
  - Employee Assistance Programs
  - On-site Fitness Facilities
  - Discounted Fitness Club Rates
  - Weight Management Programs
  - Smoking Cessation Assistance
  - On-Site Massages
  - Stress Management Programs
  - Voluntary Immunization Clinics
  - Health Screenings
  - Nutritional Counseling
  - On-Site Nurse
  - Employee Assistance Program

## Performance & Recognition
- **Performance**
  - 1:1 Meetings
  - Performance Reviews
  - Project Completion/Team Evaluations
  - Performance Planning/Goal Setting Sessions
  - Coaching and Feedback
- **Recognition & Rewards**
  - Service Awards
  - Retirement Awards
  - Peer Recognition Awards
  - Spot Awards
  - Managerial Recognition Programs
  - Organization-wide Recognition Programs
  - Exceeding Performance Awards
  - Employee of the Month/Year Awards
  - Appreciation Luncheons, Outings, Formal Events
  - Goal-Specific Awards (Quality, Efficiency, Cost-Savings, Productivity, Safety)
  - Employee Suggestion Programs

## Development Opportunities
- **Learning Opportunities**
  - Tuition Reimbursement
  - Tuition Discounts
  - Corporate Universities
  - New Technology Training
  - On-the-Job Learning
  - Attendance at Outside Seminars and Conferences
  - Access to Virtual Learning, Podcasts, Webinars
  - Self- Development Tools
- **Coaching/Mentoring**
  - Leadership Training
  - Exposure to Resident Experts
  - Access to Information Networks
  - Formal or Informal Mentoring Programs
- **Advancement Opportunities**
  - Internships
  - Apprenticeships
  - Overseas Assignments
  - Internal Job Postings
How Do You Create an EVP?
Steps to Creating Your EVP

Assess current state.

Understand what’s in place today.

Understand what’s important.

Why do employees join, stay, quit?

What employee return are you seeking?

Understand overlap between employee and product brand.
Steps to Creating Your EVP, Cont.

Draft EVP.

Test it. Do you have it right?

Involve leaders and stakeholders.

Finalize and communicate.

Establish HR priorities and execute.

Regularly evaluate it.
Stakeholder Involvement

Stakeholders are the first in line to set an example for EVP initiatives.

- Engage stakeholders early.
- Involving stakeholders creates “buy in”.
- Stakeholders are champions.
Communicate it!

Communicate your EVP in a way that appeals to the audience.

- Communication must be consistent internally and externally.
- An EVP should be reflected in the corporate brand to:
  - Help make the corporate brand a reality
  - Drive engagement
  - Reinforce recruiting message
HCC Case Study – Employee Value Proposition

PROBLEM
200-employee, rural general medical and surgical hospital with a primary goal of increasing the attraction and retention of high-performing physicians and staff. A rewards strategy that met employee needs, was competitive, fiscally responsible, and drove the right behaviors and performance was paramount. The organization needed a clearly defined, high-functioning Employee Value Proposition (EVP).

SOLUTION
HUB consultants facilitated the EVP development by collaborating with leadership, evaluating total rewards offerings, and engaging the workforce through focus groups to validate information and assumptions, and gain insight/perspective. HUB then led the development of an EVP statement, supporting communication and training materials, rollout strategy, and measurement techniques.

OUTCOME
The hospital established a strong EVP to describe and promote the full array of benefits and value the hospital delivered to employees in return for their contributions to the hospital. The EVP was integrated into all aspects of the employee lifecycle, such as recruitment, performance and reward programs. Training was provided to promote EVP elements, reinforcing the quality of care delivered to patients. A creative visual system and style guide effectively branded and messaged the EVP.
EVPs Across the Generations
Generations Across the Workforce

Everything’s changing:

- In 2015, Millennials became the largest generation in the workforce.
- By 2020, Millennials will comprise about half of the workforce.
- 10,000 Baby Boomers turn 65 every day.

Workforce in 2020:

- 50% Millennials
- 30% Boomers & Gen-X
- 20% Gen-Z

NAVEX Global, February 2017
PEW Research Center
Cross-generational Appeal

Understand the differences.

- Differences will exist; find the balance.
- Understand workforce demographics and the preferences and motivators within each.
- Prepare for the emergence of a new generation of talent.
- Understand the significant perspectives the generations share in common.

“You cannot manage what you don’t understand. You won’t be able to manage outside of your generation unless you can see through all of the generational lenses.”

Tammy Hughes, CEO
Claire Raines & Associates
How Do You Know it’s Right?

With a Healthy EVP in Place You Can:

- Be a magnet for talent.
- Have more engaged and motivated employees.
- Maintain healthy differences across geographies and employee populations.
- Experience lower regrettable turnover.
- Maintain better understanding of your employees
- Have higher levels of financial performance.
Keep it Relevant

Regularly Evaluate Your EVP

• Build in methods to measure the EVP.
  • Employee surveys
  • Focus groups
  • People metrics

• Priorities change – be ready to adapt.

• Refine the EVP to reflect what is most important to your candidates and employees.

• Revisit the EVP regularly to ensure that messages are attractive to current and new talent.
EVP Better Practices

Be sure to...

• Create an elevator pitch.
• Align EVP with what the organization stands for.
• Deliver on EVP promises.
• Differentiate the organization.
• Bridge the identity and image gap.
• Sustain the EVP.
Questions and Discussion
Thank you.