Employee Value Proposition
Make the Most of your HR Investment
Workshop Goal:

What is an Employee Value Proposition?
We help organizations dramatically improve performance and work through the friction points triggered by growth and transition.

- Leadership Development
- Human Resources
- Brand Strategy and Development
- Business Operations
- Product Marketing & Management
- Finance
- Intellectual Property
Some Recent Clients
• Stratford’s leading expert on employee value proposition, engagement and retention programs
• Co-leading Stratford Leadership Development
• Certified in Change Management and Lean Six Sigma methodologies
• Former Board of Director for the Ottawa Region Rewards Association
Employer Brand?
Employee Value Proposition?
• Talent shortages
• Multiple generations in workforce
• Constrained budgets
Cost per Hire

- Poor/moderate
- Good/strong
  (very likely to join your company)

Employer Brand Strength

-50%

Amount of Attrition

- Poor/moderate
- Good/strong
  (very likely to join your company)

Employer Brand Strength

-25%

What’s the Business Case
According to BNA Bloomberg, on average, how much HR program budget is allocated by small/medium organizations?

- $1100 per employee
- $2600 per employee
- $3750 per employee
• Assume 200 person organization
• Median HR expenditure = $2600/ee*
• Assume 20% misdirection
• Gives HR $104,000 to invest!
Put Your Money Where THEIR Mouths Are
• Informs your investment in ALL your HR programs
• Identifies a winning employment strategy that can inform your leadership strategy and tactics
Understand organizational and employee needs

Define the employee value proposition

Align your primary HR strategies with the EVP

“Here’s the deal…”

A
B
C
D
E

Training and Development
Wellness Strategy
Leadership Strategy
Recruitment Strategy

EVP Assessment and Implementation
Organizational purpose and reputation

Development opportunities

Leadership and Manager quality

A collegial work environment

Culture of respect

Job attributes

Compensation/status

Understand Organizational and Employee Needs
The next set of questions asks about facets of the organization and how that can influence your day-to-day work life. Using a scale of 1 to 7, where 1 is strongly disagree and 7 is strongly agree, please select any number on the scale to indicate your level of agreement or disagreement with each statement.

Q1. The organization invests in my professional development.

Q2. I'm committed to work here because of the organization’s reputation as an industry leader.

Q3. The training programs helped me get up to speed quickly after I started working here.

Q4. I have career advancement opportunities working with the organization.

Q5. Pay is the main reason I am working here.
The Golden Circle + Human Brain

- Why
- What
- Limbic Brain
- Neocortex

It’s Biology, not Opinion
Data Analysis – Determine the Relative Impact of Factors Driving Attraction and Retention
Factor analysis groups like behaving questions together

Regression analysis determines the relative impact

Factor 1 – 42%
- Q1: 24%
- Q10: 18%
- Q6: 11%
- Q4: 4%

Factor 2 – 39%
- Q9: 21%
- Q2: 20%
- Q5: 9%
- Q11: 2%

Factor 3 – 14%
- Q7: 35%
- Q8: 18%
- Q3: 6%
- Q12: 6%
A Strong EVP Drives Both Attraction and Retention

Attraction
- Increases the size of the available talent pool
- Increases fit between organization and the candidate

Retention
- Improves employee effort level and performance
- Improves retention

Attraction Index: 64
Retention Index: 63

EVP attributes
- Organization
- Opportunity
- Workplace
- Leadership
- Communication
- Tangible Rewards
- Intangible Rewards

Increases the size of the available talent pool
Increase fit between organization and the candidate
Improves employee effort level and performance
Improves retention
All Factors are not Drivers
• Which of the following is the most influential to driving attraction to organizations?

  • Pay and benefits (tangible rewards)
  • Career and professional development
  • Company reputation
• Which of the following is the most influential to driving retention within organizations?

• Manager relationship

• Career and professional development

• Company reputation
The key to attraction – emphasizing the organization and the opportunity.

The key to retention – however, emphasizing tangible rewards and opportunity become increasingly important.

Relative Importance of Drivers (Indexed to 100)

Drivers
- Manager Effectiveness
- Communication
- Intangible Rewards
- Tangible Rewards
- Workplace
- Opportunity
- Organization

Attraction
- Manager Effectiveness: 48%
- Communication: 22%
- Intangible Rewards: 16%
- Tangible Rewards: 10%
- Workplace: 28%
- Opportunity: 10%
- Organization: 4%

Retention
- Manager Effectiveness: 35%
- Communication: 23%
- Intangible Rewards: 10%
- Tangible Rewards: 28%
- Workplace: 4%
- Opportunity: 50%
- Organization: 0%
Different audiences determine which are the most important for attraction versus retention.

**Employees** place increased importance on colleagues and leaders.

**Contractors** place increased importance on the job design and workplace.
• Key drivers are presented as a quadrant analysis in a focus map.

• The focus map clearly identifies opportunities (high importance and lower relative performance) and strengths (high importance and higher relative performance)
Using data collected from the EVP survey, we have examined how to most effectively leverage the EVP to build a compelling employer brand strategy

- Combined, the drivers of the EVP inform how candidates are attracted to an organization and, once employed, areas that will increase commitment
  - Increases the size of the available talent pool from which talent can be sourced
  - Increases the “fit” between the organization and job candidates
Effective EVPs are clear, focused, and easy to understand.
While all factors are important to some level, focus on those that have significant influence and strong alignment to strategy.

Use demographic data to influence tactics.
1. Clarify Driver Relevance
   - Determine driver support of business strategy
   - Determine opportunities to differentiate the organization from competitors

2: Determine Item Prioritization
   - Review item performance and importance
   - Estimate required investment
   - Assess feasibility for action

3: Develop Action Plan
   - Use demographic data to influence tactics
   - Create strategy to leverage strengths for internal and external messaging

Future Steps
   - Develop Metrics
     - Continually build EVP data
     - Set EVP success metrics
     - Develop a dashboard
   - Communicate
     - Invest in an end-to-end communication plan
     - Use data to refine internal and external messaging
Establish and Promote an Evidence-Based Employer Brand

Core qualities that define the employee experience and priorities

Positioning and competitive differentiation

Sustained brand building initiatives

Identify

Align

Optimize

1. EVP Assessment or Review
2. Competitive Assessment
3. Employer Brand Positioning
4. Communication Plan
5. Brand Campaign
• Engage key stakeholders to validate connection to business strategies and corporate values
• Review current data and program information
• Determine drivers of attraction and retention

• Research the competitive employer landscape and external perceptions
• Assess current corporate branding strategy for alignment with EVP
• Prioritize efforts to maximize impact on attraction and retention

• Develop audience personas, value propositions, objections, and key differentiators.
• Identity true, credible, relevant, distinctive and aspirational brand

• Design a multi-pronged plan that may include website, multi-media content, employee ambassadors, partner engagement, social media activity, blog content, events, guerrilla tactics, etc., all aligned with corporate and customer branding initiatives

• Activation of sustained employer brand building initiatives, building internal competencies and tools, and aligning with ongoing talent attraction and retention initiatives
Make data your friend!

Fuel your investment decisions with employee opinion!