



Monthly Strategies

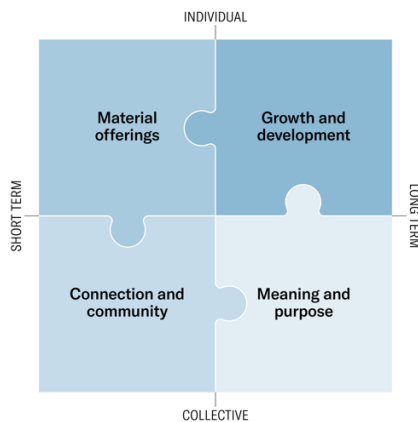
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Employee Value Proposition and Employee Retention: How they go hand-in-hand.

Building a comprehensive Employee Value Proposition (EVP) can be the most influential factor in employee retention and satisfaction efforts. Employers simply cannot just assume what parts of the employment package employees view as the most important – we need to be asking “What are we doing to develop them? What are we doing to give them purpose?”

What exactly is an EVP? Simply put, an Employee Value Proposition represents everything of value that an employer provides to its employees – pay, benefits, training, career development opportunities, etc. This delicate balance can be broken into four interrelated factors: Material Offerings, Opportunities to Develop and Grow, Connection and Community, and Meaning and Purpose.



It’s important to note that how employees experience these factors will vary. They can be short-term or long-term, and either individual or collective. Material offerings and connection and community are experienced in the short term, while growth and development and meaning and purpose are experienced in the long term. Secondly, the material offerings and growth and development opportunities are given to people on an individual basis, while connection and community and

meaning and purpose are experienced on a collective level.

Material Offerings: *“Any company can provide money – it has to be the total package”* Tamla Oates-Forney, Former Chief People Officer at Waste Management

In an increasingly tight talent market, you have to offer more than just a paycheck. Consider the needs of your workforce, like mental health support, childcare, educational opportunities, etc. Focusing too heavily on material offerings can be detrimental if not kept in check – throwing “retention dollars” at employees can only go so far. It’s also important to mention that any company can do the same, so what can you do to differentiate your employment experience from others? First, it’s important to create a path forward for employees so they progress in their careers and earn more over time.

Opportunities to develop and grow - *“A good value proposition isn’t simply stuff you give away, but a deal – a reciprocal arrangement where there is a give/get.”* John Fleischauer, Formerly with Halogen Software

It’s becoming increasingly evident that helping employees acquire new skills and become more valuable in the labor market can bump overall retention numbers. This can be as simple as offering internal training programs, opportunities for promotions, being assigned new roles, and even going through job rotations. Guild CEO Rachel Romer states that “the most innovative companies are realizing the best thing they can do to differentiate themselves as an employer is to offer economic mobility, reskilling, and the opportunity to gain more skills or move up within a company.”

An article with the New York Times explicitly titled “Workers, in Demand, Have a New Demand of Their Own: A Career Path” shares that employer postings that do not require a four-year degree included the phrase “career advancement” 35%

more than in recent years. The term “training” increased 32% in the same period!

Connection and community - These are the benefits that come from being part of a larger group. They include being appreciated and valued for who you are, a sense of mutual accountability, and social relationships. A recent study by the Generation Lab asked college students and recent graduates what they would miss most if they worked remotely, 74% cited the office community, and 41% said mentoring. Your company culture plays a major role in employee retention: almost a third of employees quit due to company culture. Especially in the tech industry, a welcoming and collaborative work environment not only boosts employee job satisfaction, but overall productivity within the company.

Meaning and Purpose - An employee’s contribution to the world can be just as important as their annual pay. Ask yourself, “what matters most to employees and consumers?”

“To win the hearts of Generation Z, companies and employers will need to highlight their efforts to be good global citizens.” – Deloitte

Younger generations in the workforce feel strongly about living in alignment with their values – some millennials are willing to sacrifice higher pay in exchange for a more responsible company. Something as simple as an employee engagement survey can help show if your organizations purpose and values are enough of a differentiating factor for employment!

Review, Revise, and Promote - You’ve built a comprehensive EVP, what now? Don’t just announce the policy; explain why it’s necessary for the company and how it will benefit employees over the short and long term.

This can be used during recruiting and onboarding as a way to gauge candidate interest and value of the company’s EVP – are the needs of potential employees aligned with those of the company?

Furthermore, implementing a process to assess and measure the effectiveness of each of the four factors. Ask questions that encourage employees to think broadly about their work such as:

- How does my work contribute to the organizational purpose?

- What am I doing to build relationships, create community, and maintain a positive, strong attitude and energy on my team?
- What learning and development opportunities am I pursuing?
- What am I doing to support others in our team and their learning?
- How am I contributing to excellence in my work and the work of my team?

Lastly, with the implementation of any new policy, there needs to be room for adjustment – iterations should be as prevalent as the changes in the workforce. The worst thing we could do is be stagnant and allow for a gap between the needs of our employees and the opportunities we provide as an organization grow. Reassessing your EVP at least every 5 years is a reasonable benchmark to maintain without causing too much of a shakeup in the actual culture of a company.

Using an EVP Recruitment Marketing Strategy

Once you’ve successfully developed and defined your EVP, it’s important to promote it effectively. This could be the company website, recruiting events, email campaigns, career sites, and even social media! If the previous topics have highlighted anything, it’s that the way your company is viewed and the value you can provide outside of a salary (and how you express that to the world) may entirely change the hiring pool you’re working with.

Compliance Training

Employers that work on New Castle County Large Public Works Projects are required to conduct Drug and Alcohol Awareness and Reasonable Suspicion Testing Training for Supervisors, annually.

Employers in Delaware that have 50 or more employees are required to conduct Anti-Sexual Harassment training every two years.

Contact HR Strategies to provide onsite or virtual training for your organization.

Contact HR Strategies at 302.376.8595 or info@hrstrategies.org if you would like support or would like to learn more about the items in this newsletter.

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