

AVMA | **PLIT**®

Protecting you through it all

Develop an Employee Value Proposition

Gain Competitive Edge in Hiring the Best and Brightest
May 16, 2019





Andrea Goodkin **SPHR, SHRM-SCP**

EVP HR Consulting Services
HUB International
Andrea.goodkin@hubinternational.com
(312) 429-2284

It's a Jungle Out There

Trends With Impact



91% of employees say the last time they changed jobs, they changed companies to do so.

65% 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.

45% of employers are having difficulty filling jobs.

*Gallup State of the American Workplace, 2017
Gallup News, June 29, 2018
Gallup Business Journal, April 19, 2017
Manpower Group Talent Shortage Survey, 2018*

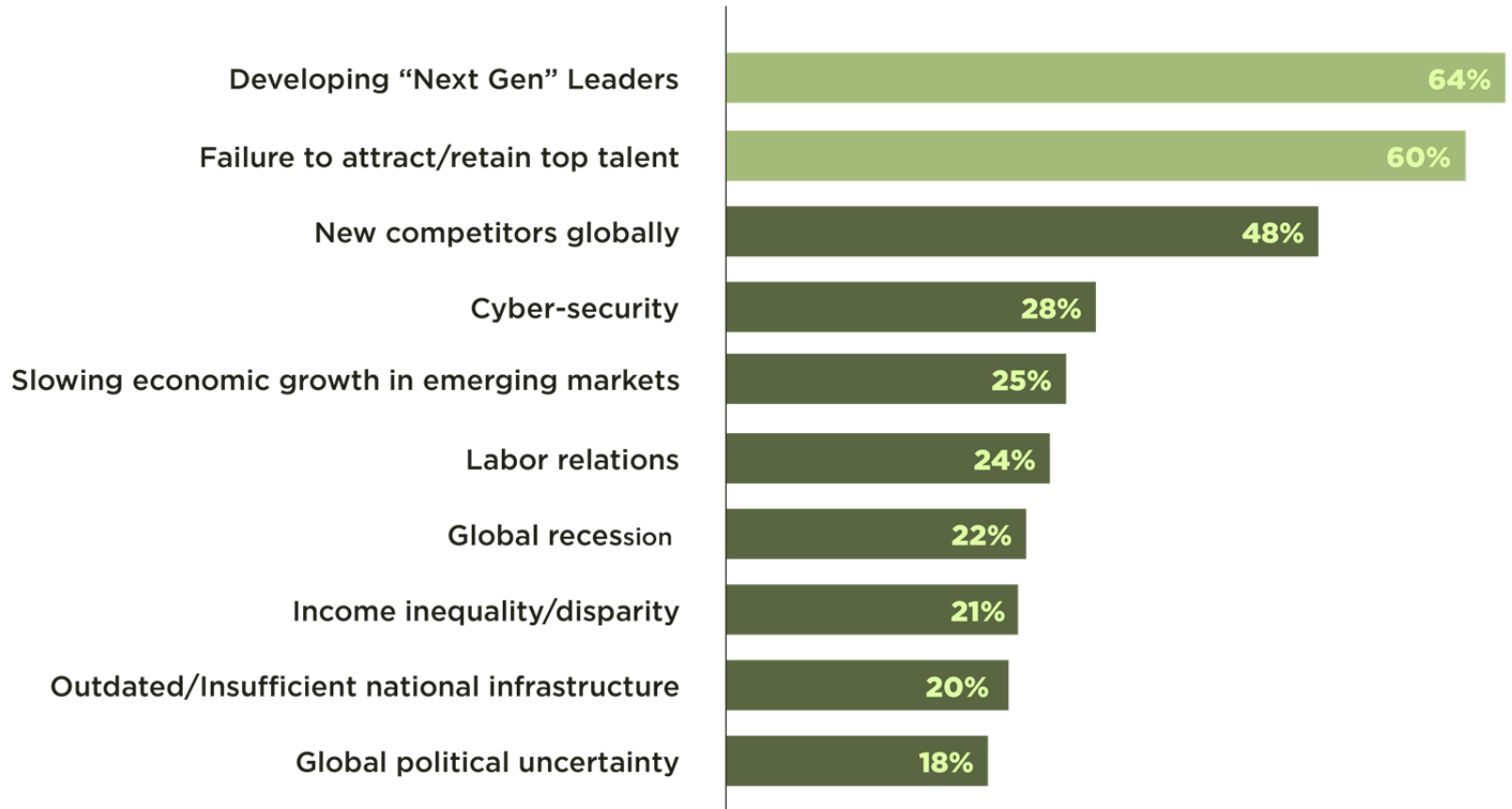
2019 Workforce Trends

- HR joins marketing in defining the 'brand.'
- Redefine diversity for the future workforce.
- Support for a flexible work culture.
- Competition for Gen Z talent is starting.
- Plan for the 100-year life span.
- Prepare for the shorter employee life cycle.
- Embrace HR technology.



*Entrepreneur.com, December 28, 2018
Forbes January 30, 2019*

Top 10 CEO Challenges



DDI, The Conference Board, and EYGM: 2018

Key Effects on Engagement

Gallup estimates the cost of disengagement to be between **\$960 billion** and **\$1.2 trillion** per year.

Top Factors That Contribute to Engagement:

- Rewards
- Career & Development Opportunity
- Perceptions of the Organization
- Team & Colleague Quality
- Work Environment

*Gartner, November 28, 2018
Gallup Workplace, April 27, 2017*

What Should You Do?

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

- Knowing what makes your business 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 and technology practices
- Promoting your business' Employee Value Proposition to become a talent destination

Why Do You Need an Employee Value Proposition (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

**BEST
PLACES TO
WORK**

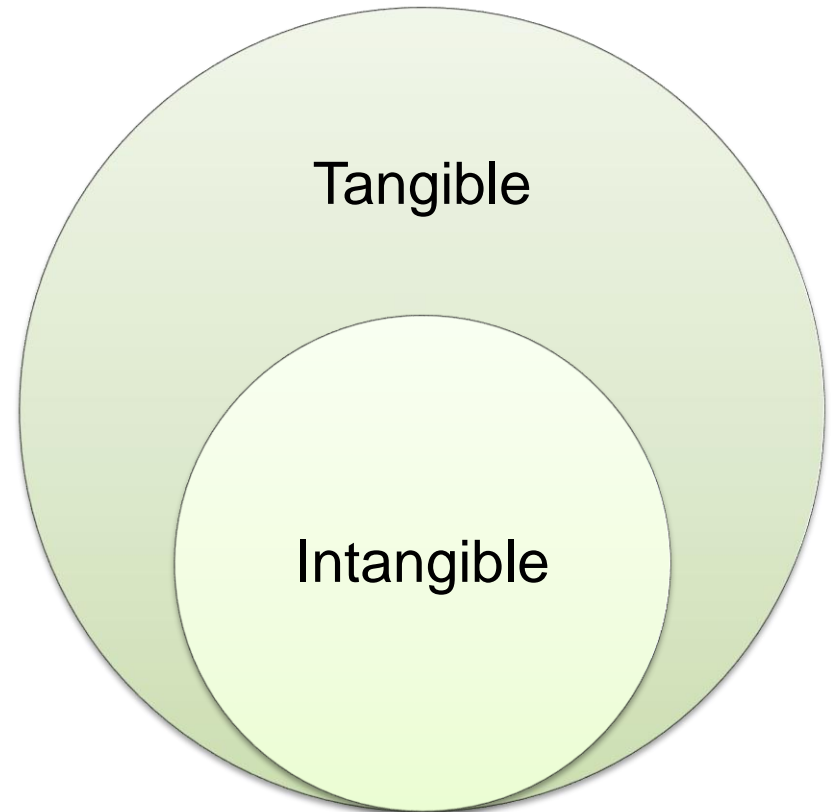
Employee Value Proposition



An EVP: What's Included

An EVP includes:

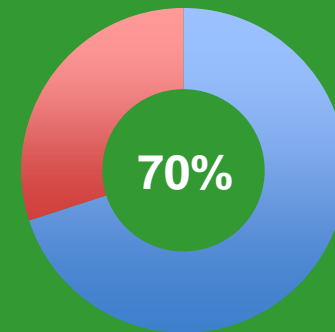
- The range of tangible rewards (financial) such as pay and benefits
- The range of intangible factors (non-financial) that do not show up in a paycheck or on the benefits statements but nonetheless carry high value



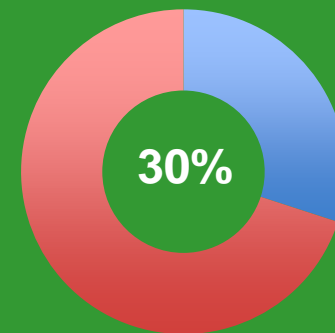
An EVP: What are the benefits?

EVP Benefits:

- Attract, engage and retain top talent
- Illustrate what employees and candidates can expect
- Positively impact employee engagement
- Help prioritize HR agenda and reduce costs
- Develop a competitive advantage



Nearly **70%**
reduction in
turnover



Increase
new-hire
commitment
by close to
30%

EVPs are Everywhere

Every
organization
has an **EVP**.

It just may not
be defined,
refined, or
communicated.



EVP Development



Total Rewards Inventory

Compensation	Benefits	Work-Life	Performance & Recognition	Development Opportunities
Base Wages <ul style="list-style-type: none"> <input type="checkbox"/> Salary Pay <input type="checkbox"/> Hourly Pay <input type="checkbox"/> Piece Rate Pay Premium Pay <ul style="list-style-type: none"> <input type="checkbox"/> Shift Differential Pay <input type="checkbox"/> Weekend/Holiday Pay <input type="checkbox"/> On-call Pay <input type="checkbox"/> Call-In Pay <input type="checkbox"/> Hazard Pay <input type="checkbox"/> Bi-Lingual Pay <input type="checkbox"/> Skill-Based Pay Variable Pay <ul style="list-style-type: none"> <input type="checkbox"/> Commissions <input type="checkbox"/> Team-Based Pay <input type="checkbox"/> Bonus Programs <ul style="list-style-type: none"> <input type="checkbox"/> Referral Bonus <input type="checkbox"/> Hiring Bonus <input type="checkbox"/> Retention Bonus <input type="checkbox"/> Project Completion Bonus <input type="checkbox"/> Incentive Pay Short-term <ul style="list-style-type: none"> <input type="checkbox"/> Profit Sharing 	Legally Required/Mandated <ul style="list-style-type: none"> <input type="checkbox"/> Unemployment Insurance <input type="checkbox"/> Worker's Compensation Insurance <input type="checkbox"/> Social Security Insurance <input type="checkbox"/> Medicare <input type="checkbox"/> State Disability Insurance (if applicable) Health & Welfare <ul style="list-style-type: none"> <input type="checkbox"/> Medical Plan <input type="checkbox"/> Dental Plan <input type="checkbox"/> Vision Plan <input type="checkbox"/> Prescription Drug Plan <input type="checkbox"/> Flexible Spending Accounts (FSAs) <input type="checkbox"/> Health Reimbursement Accounts (HRAs) <input type="checkbox"/> Health Savings Accounts (HSAs) <input type="checkbox"/> Mental Health Plan <input type="checkbox"/> Life Insurance <input type="checkbox"/> Spouse/Dependent Life Insurance <input type="checkbox"/> AD&D Insurance <input type="checkbox"/> Short-Term/Long-Term Disability Insurance <input type="checkbox"/> Telemedicine 	Workplace Flexibility/Alternative Work Arrangements <ul style="list-style-type: none"> <input type="checkbox"/> Flex-Time <input type="checkbox"/> Telecommuting <input type="checkbox"/> Alternative Work Sites <input type="checkbox"/> Compressed Workweek <input type="checkbox"/> Job Sharing <input type="checkbox"/> Part-time Employment <input type="checkbox"/> Seasonal Schedules Paid and Unpaid Time Off <ul style="list-style-type: none"> <input type="checkbox"/> Maternity/Paternity Leave <input type="checkbox"/> Adoption Leave <input type="checkbox"/> Sabbaticals Health and Wellness <ul style="list-style-type: none"> <input type="checkbox"/> Employee Assistance Programs <input type="checkbox"/> On-site Fitness Facilities <input type="checkbox"/> Discounted Fitness Club Rates <input type="checkbox"/> Weight Management Programs <input type="checkbox"/> Smoking Cessation Assistance <input type="checkbox"/> On-Site Massages <input type="checkbox"/> Stress Management Programs <input type="checkbox"/> Voluntary Immunization Clinics <input type="checkbox"/> Health Screenings <input type="checkbox"/> Nutritional Counseling <input type="checkbox"/> On-Site Nurse Financial Support <ul style="list-style-type: none"> <input type="checkbox"/> Dependent Care Travel-Related Expense Reimbursements <input type="checkbox"/> Dependent Care Referral and Resource Services <input type="checkbox"/> Dependent Care Discount Programs or Vouchers <input type="checkbox"/> Emergency Dependent Care Services <input type="checkbox"/> Childcare Subsidies <input type="checkbox"/> On-site Caregiver Support Groups <input type="checkbox"/> On-Site Dependent Care <input type="checkbox"/> Adoption Assistance Services <input type="checkbox"/> After-School Care Programs <input type="checkbox"/> College/Scholarship Information <input type="checkbox"/> Scholarships <input type="checkbox"/> Privacy Rooms <input type="checkbox"/> Summer Camps & Activities <input type="checkbox"/> Special Needs Childcare <input type="checkbox"/> Disabled Adult Care <input type="checkbox"/> Geriatric Counseling <input type="checkbox"/> In-home Assessments for Eldercare <input type="checkbox"/> Financial Planning Services and Education <input type="checkbox"/> Adoption Reimbursement <input type="checkbox"/> Transit Subsidies <input type="checkbox"/> 529 Plans 	Performance <ul style="list-style-type: none"> <input type="checkbox"/> 1:1 Meetings <input type="checkbox"/> Performance Reviews <input type="checkbox"/> Project Completion/Team Evaluations <input type="checkbox"/> Performance Planning/Goal Setting Sessions <input type="checkbox"/> Coaching and Feedback Recognition & Rewards <ul style="list-style-type: none"> <input type="checkbox"/> Service Awards <input type="checkbox"/> Retirement Awards <input type="checkbox"/> Peer Recognition Awards <input type="checkbox"/> Spot Awards <input type="checkbox"/> Managerial Recognition Programs <input type="checkbox"/> Organization-wide Recognition Programs <input type="checkbox"/> Exceeding Performance Awards <input type="checkbox"/> Employee of the Month/Year Awards <input type="checkbox"/> Appreciation Luncheons, Outings, Formal Events <input type="checkbox"/> Goal-Specific Awards (Quality, Efficiency, Cost-Savings, Productivity, Safety) <input type="checkbox"/> Employee Suggestion Programs 	Learning Opportunities <ul style="list-style-type: none"> <input type="checkbox"/> Tuition Reimbursement <input type="checkbox"/> Tuition Discounts <input type="checkbox"/> Corporate Universities <input type="checkbox"/> New Technology Training <input type="checkbox"/> On-the-Job Learning <input type="checkbox"/> Attendance at Outside Seminars and Conferences <input type="checkbox"/> Access to Virtual Learning, Podcasts, Webinars <input type="checkbox"/> Self-Development Tools Coaching/Mentoring <ul style="list-style-type: none"> <input type="checkbox"/> Leadership Training <input type="checkbox"/> Exposure to Resident Experts <input type="checkbox"/> Access to Information Networks <input type="checkbox"/> Formal or Informal Mentoring Programs Advancement Opportunities <ul style="list-style-type: none"> <input type="checkbox"/> Internships <input type="checkbox"/> Apprenticeships <input type="checkbox"/> Overseas Assignments <input type="checkbox"/> Internal Job Postings

Steps to Creating Your EVP

- Assess current state.
- Understand what's in place today.
- Learn what's important across departments and divisions.
- Why do employees join, stay, quit?
- What employee return are you seeking?
- Understand overlap between employee and product brand.



Steps Cont'd

• Draft EVP.

• Test it. Do you have it right?

• Involve leaders and stakeholders.

• Finalize and communicate company-wide.

• Establish HR priorities and execute.

• Regularly evaluate it, gather feedback, and report on results.



Communicate It



**COMMUNICATE
YOUR EVP IN A WAY
THAT APPEALS TO
THE AUDIENCE**

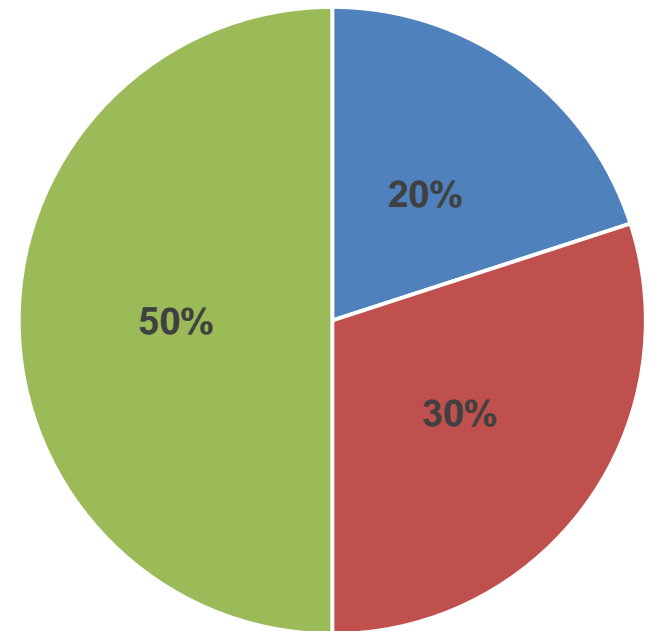
- Communication must be consistent internally and externally.
- An EVP should be reflected in the corporate brand to:
 - Help make the corporate brand a reality
 - Drive engagement
 - Reinforce recruiting message

Generations in 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
Breakdown in 2020



■ Gen-Z ■ Boomers & Gen-X ■ Millennials

EVPs Across the Generations



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

With a healthy EVP You Can...

- 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
- Be a magnet for talent



Keep it Relevant

Regularly Evaluate Your EVP

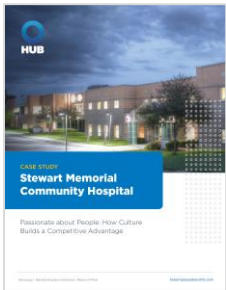
- Build in methods to measure the EVP.
 - Employee surveys
 - Focus groups
 - People metrics
- Priorities change—be ready to adapt.
- Refine the EVP to reflect what is most important to your candidates and employees.
- Revisit the EVP regularly to ensure that messages are attractive to current and new 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.

A Case Study



Stewart Memorial Case Study

Passionate About People: How Culture Builds a Competitive Advantage

How Success Measures Up at Stewart Memorial



90% Employee Retention
Beat goal of 88%



85% Employee Engagement
outperformed healthcare
peer group by 6%



9% Reduction in benefits spend
despite enhancing benefits
to win and keep talent



\$270,000 annual savings
in PTO accrued costs due
to new flex-time program

AVMA | **PLIT**[®]

Protecting you through it all

Questions

