What is an Employee Value Proposition

Set of offerings or associations that characterise how an employer differentiates itself from its competitors; equation by which employees balance their effort and return from the employer.

Value employee gives

Value employee gets back
Employee Value Proposition
Typical components

**Employer perspective …**

**Money**
- Pay
  - Base pay
  - Guaranteed “bonuses”
  - Short-term incentives
  - Long-term incentives
  - Allowances
  - Financial recognition programs
  - Deferred compensation
- Benefits
  - Retirement
  - Savings
  - Medical/Dental/Vision/Prescription Drug, etc.
  - Life insurance
  - Short- and long-term disability
  - Accident coverage

**Careers**
- Performance and accountability
- Career opportunity and pathing
- Mobility
- Leadership
- Experiential rewards
- Talent development

**Work/Life**
- Time off
- Wellness programs
- Dependent care
- Workplace flexibility
- Non-financial and status recognition
- Commuter programs
- Workplace facilities and perquisites

**Employee perspective …**

- My value today
- My financial security and protection
- My future value
- My quality of life
Building a Differentiating EVP

Health & Wealth

Alignment with Company’s Growth Vision and Direction

Total Rewards Strategy

Employee Choice

Workforce Segmentation & Architecture

- Work Environment
  - Culture
  - Diversity & Inclusion
  - Health & Wellness Programme
  - Technology

- Leadership
  - Leadership Strategy
  - Leadership Assessment
  - Leadership Development
  - Leadership Succession

- Career Experience
  - Career Architecture
  - Learning & Development
  - Performance Management
  - Talent Mobility

Company’s Value & Brand

Base Pay  Variable Pay  Deferred Compensation  Perquisites  Non-Insured Benefits / Entitlements (HR Policy)  Retirement  Healthcare  Other Insured Benefits

26 February 2014
EVP Elements
Employees’ vs employers’ view

Relative importance as seen by workforce

Higher

Lower

Proportion of employers using features to attract/retain

Source: Employees - Inside Employees’ Minds (September 2011)
Mercer 2014 Hong Kong HR Planning Snapshot Survey
Generation Factors – Priorities Vary

**Generation Y**
- Values informal workplaces and flexibility
- Career advancement opportunities, recognition, mentorship
- Access to social networks and high-tech tools
- Saving for a home

**Generation X**
- Balancing work and family/personal life
- Flexible work hours
- Career advancement, including leadership opportunities
- Saving for a child’s education
- Planning for retirement

**Baby Boomers**
- Saving for a child’s education
- Planning for retirement
- Dealing with the stress of balancing work and family/personal life
- Taking care of older parents

**Traditionalists**
- Planning for retirement/retiring
- Access to “flexible” job opportunities that support simultaneous needs for education, work, volunteering, and/or leisure
- Taking care of spouse or older parent(s)
Targeting Needs

- Clarifying segments will allow you to target the right levers; examples include:
  - Generational
  - Diversity – cultural & gender

- For each segment, consider their distinct communication style preferences, types of career experiences and learning support.

- Generational Needs
  - Gen Y wants new and interesting experiences

- Local
  - I want global exposure without relocating

- Men
  - I am more willing to take risks and chances
Conjoint Analysis – Defining an Impactful EVP

**Biggest Opportunities**

- Career Opps
- Benefits
- Choice of rewards
- Retirement
- Future growth prospects

**Important Strengths**

- Quality of leadership
- Work environment
- Base pay
- Work-life balance
- Challenging work
- Quality of products
- Brand reputation

Importance scores on the horizontal line (middle of plot) represent average importance (Importance score=100).

Satisfaction scores on the vertical line (middle of plot) represent 50% favorable responses.
BUILDING THE CAREER EXPERIENCE
Careers – What are We Hearing?

Taking greater ownership of careers

Meaningful work over well-paid work

Challenge and learning opportunities

Mobility and prospects for travel

More responsibility, recognition and career advancement faster

Exposure and opportunities over job security

Sources:
Journal of Business Psychology
Experience-based Careers
The climbing wall

- What have I done?
- What do I want to do?
- Which path shall I take?
Building The Employee Career Experience

Aligned  Adapted  Aspirational  Authentic
Adapt to Gen Y: Make it Fun

Embrace gaming and technology

Example: MyMarriottHotel – online game

Players can “work” in various hotel roles

Points for excellent customer service & profitability
Key Learnings
Building the Career Experience

4 As
- Aligned
- Adapted
- Aspirational
- Authentic

Communicate
- Present experiences rather than jobs on offer
- Enable employee choice

Support
- Link to learning and development support
- Create career development culture
Key Learnings
Demonstrated “Proof Points”

<table>
<thead>
<tr>
<th>Recruitment</th>
<th>On-boarding</th>
<th>Work</th>
<th>Development</th>
<th>Reward</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Embed brand in external facing media</td>
<td>• Embed brand in onboarding materials</td>
<td>• Embed brand in internal materials</td>
<td>• Embed brand in training and performance management materials</td>
<td>• Embed brand in rewards materials</td>
</tr>
<tr>
<td>• Online employee stories</td>
<td>• Online employee stories</td>
<td>• Promote virtual communities through social networking</td>
<td>• Integrate social networking into growth and development activities</td>
<td>• Provide talking points and tools to support EVP in rewards activities</td>
</tr>
<tr>
<td>• Develop materials and training for recruitment managers</td>
<td>• Profile connection to social networking</td>
<td>• Embed messaging into work streams and HR programs</td>
<td>• Provide talking points and tools to support EVP in performance management</td>
<td>• Facilitated or online training of rewards and EVP</td>
</tr>
<tr>
<td></td>
<td>• Facilitated training with onboarding partners</td>
<td>• Align messaging with EVP</td>
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26 February 2014