

EMPLOYEE VALUE PROPOSITION

Attracting talent in a competitive market



what? next

ONLY 29% OF FUNCTIONAL LEADERS REPORT THEY HAVE ALL THE TALENT THEY NEED TO MEET CURRENT PERFORMANCE REQUIREMENTS.

How can you ensure you are attracting the right talent to your organisation?

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THE COST OF LOW ATTRACTION

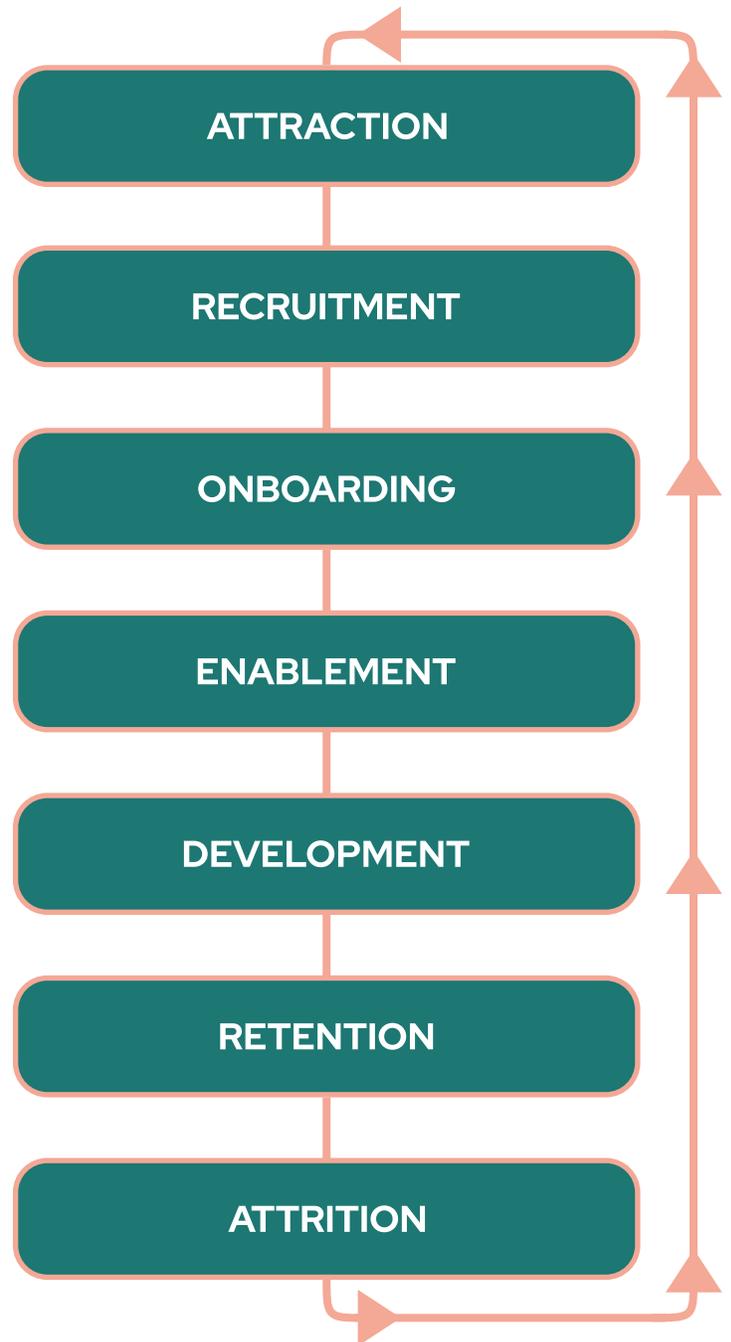
Attraction is a crucial part of the talent lifecycle. Creating an attractive offer for candidates not only improves recruitment metrics, it can also lower attrition and increase efficiency throughout the business.

Low attraction equates to a longer lead time to fill vacancies, more stress on internal teams, less time to upskill employees, a lack of resources, and a delay on major projects, all of which can cost the business both in monetary terms and in the attrition of current talent.

The ability to attract talent to fill skills gaps created by emerging technology, business growth and attrition is crucial to ongoing success. Great talent is scarce, and the higher skilled or experienced the role, the smaller the pool of suitable candidates.

It is often said that people are a business's most valuable asset, and this is no glib statement.

A study found that superior talent is up to 8 times more effective, and the more complex a role the wider the gap (source: [McKinsey](#), 2012).



Candidates, and those reevaluating their current role, are now making decisions based on a broader range of factors than salary alone.

Traditionally, job security and salary have been the driving factors when making a career move, but there is now a shift towards a more holistic package that includes flexibility and career development alongside a sense of belonging and feeling valued by an organisation.

In a recent study by Pew Research, the main reasons for leaving a role were cited as low pay, a lack of progression and feeling disrespected or undervalued in the workplace. These were closely followed by childcare issues and a lack of flexibility.

Investing time in crafting an attractive proposition for prospective candidates will not only reap rewards in the talent you attract, but it can also improve the satisfaction levels of your current employees and help you retain top performers.

So, how can you shape a compelling offer to attract the best talent for your business?

“Superior talent is up to **8 times more effective**, and the more complex a role the wider the gap”

THE EMPLOYEE VALUE PROPOSITION

The answer to low attraction is a clear Employee Value Proposition or EVP for short. A strong EVP ensures candidates know who you are, what you offer and why you're different from the competition.

It communicates how what you offer coincides with what prospective employees are looking for.



65% of candidates report they have withdrawn from a hiring process due to an unattractive EVP.

THE EMPLOYEE VALUE PROPOSITION

An effective EVP will not only help you to attract more talent, it will also ensure you attract the right talent by resonating with people who share your organisation's ideals.

[A recent Gartner study](#) highlights the positive impact a great EVP can have on retention and attraction: organisations that effectively deliver on their EVP can decrease annual employee turnover by just under 70% and increase new hire commitment by nearly 30%.

The importance of a strong EVP can't be underestimated, the same study found that 65% of candidates report they have withdrawn from a hiring process due to an unattractive EVP.

It communicates how what you offer coincides with what prospective employees are looking for.

A NOTE OF CAUTION

When developing your EVP, it's important to be careful not to overpromise and underdeliver.

Your EVP should always match the real employee experience.

Overplaying what the business can offer is likely to lead to new employees leaving during the onboarding phase, compounding recruitment costs and timelines.

Savvy candidates are also expected to check the likes of Glassdoor and LinkedIn for an unfiltered view of the business.

Your EVP must be distinctive, specific and true to the lived experience to be truly effective.



THE ELEMENTS OF A STRONG EMPLOYEE VALUE PROPOSITION

There are many different approaches and models that can be used when creating an EVP.

We have identified six key areas which reflect the holistic package candidates are searching for when evaluating a potential role, and incorporate what Gartner has badged as

[The Human Deal](#).

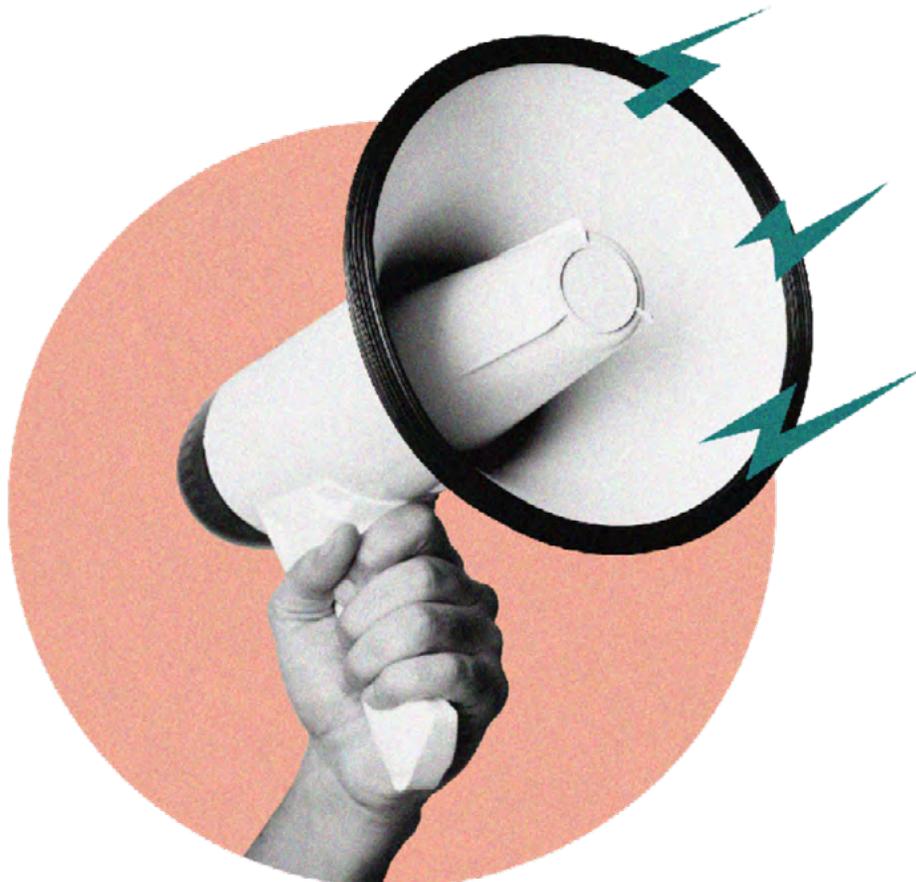
This Human Deal includes a sense of shared purpose, feeling understood and cared for, radical flexibility, and opportunities for growth.

THE SIX COMPONENTS OF A STRONG EVP:

- Purpose & values
- Career path
- Flexibility
- Compensation
- Culture & Community
- Working environment

Each business will find its strength lies in a particular segment.

It's important to bear in mind the aim isn't necessarily to stand out across all elements, but to identify where your strengths and what prospective employees are looking for coincide so that you can appeal to them directly.



PURPOSE & VALUES

Employees want to work for organisations which align with their interests and values.

They are looking for a sense of meaning and shared purpose in work that goes beyond profitability. They are also looking for companies that provide transparency on key issues.

A 2021 [Gallup Poll](#) found that employees across all generations are looking for ethical leadership from their employers.

A [PwC study](#) of over 50,000 employees found that health and safety and social issues were the top priorities, followed by diversity and environmental issues.

Organisations that are able to clearly communicate their 'why' beyond profit have an opportunity to rise above the competition.

WHAT TO CONSIDER:

- Company purpose or mission statement
- Company values
- CSR initiatives including:
 - Support for charities
 - Sustainability & environmental initiatives
 - Community engagement
 - Volunteering opportunities for employees

CAREER PATH

From the application process, through onboarding, to training and progression. Support throughout the career path is vitally important in attracting talent and minimising attrition. A lack of career development is one of the top reasons employees give for leaving a role.

Only 40% of employees said that their company is upskilling their workforce, and 39% of employees are concerned they are not getting enough training, especially when it comes to digital and new technologies (source: [PwC](#)).

Just as important as training is the enablement in terms of time, tools and ongoing coaching. As prospective employees search for what they feel is lacking in their current organisation, there is an opportunity to attract talent by being explicit about what your company can offer.

WHAT TO CONSIDER:

- The application process
- Onboarding journey
- Training plans & budgets
- Enablement
- Nature of work
- Opportunities for progression
- Job security

FLEXIBILITY

The shift to remote working during the pandemic showcased a more flexible way of working that benefited many employees. As a result, candidates are placing more value on flexibility and hybrid working models when evaluating a new opportunity.

Over 55% of employees say that whether they can work flexibly will impact whether they stay at their current organisation, and 75% say that their expectations for flexible work have increased post-pandemic (source: [Gartner](#), June 2021).

This flexibility not only benefits employees but has been shown to drive higher performance for organisations. Savvy organisations can benefit from this shift by offering more flexibility and, in doing so, take advantage of talent leaving employers which have a more rigid approach.

Offering fully remote working also widens the talent available to you, removing geographical restrictions which may be making it difficult to recruit highly skilled roles.

WHAT TO CONSIDER:

- Remote or hybrid working options
- Flexible hours
- Flexi-time
- Condensed hours
- 4-day week for full-time workers

COMPENSATION

Whilst the draw of a competitive salary should not be underestimated, total package remuneration is more important than base salary. In addition to the basics of holiday allowance, pension and employee discounts there is now more focus than ever on healthcare and well-being initiatives.

Only 29% of employees say they feel supported when it comes to mental health ([PwC](#)), and mental health worries are almost on par with physical health ([Bain](#)). Businesses can offer real value to their employees by offering enhanced support as part of the benefits package.

WHAT TO CONSIDER:

- Competitive salary
- Bonus or commission structure
- Holiday allocation
- Pension
- Private healthcare
- Mental health provision
- Childcare support
- Discounts

CULTURE & COMMUNITY

A strong work culture and community can pay dividends in attracting and retaining talent.

A recent [McKinsey study](#) showed that while employers are likely to focus on the transactional nature of work, employees put more value on the relational aspects.

A focus on internal communication alongside offering positive work experiences and encouraging positive behaviours can help combat negativity in the workplace. There are many opportunities to do this through regular updates, ongoing engagement activities and small gestures of reward and recognition.

Company culture begins at the top, and so it's important that the leadership team are seen as part of the overall community and is fully bought into its values. A study by MyPerfectResume found that poor leadership and a lack of communication were two of the top drivers in a negative work environment.

Diversity is also of great importance to Gen X and Millennials, who together make up 46% of the workforce.

Ensuring you are supporting diversity in all its forms across your organisation and throughout the talent lifecycle is of critical importance.

WHAT TO CONSIDER:

- Leadership team profile
- Diversity across the business
- Effective and timely internal communication
- Initiatives to reward and celebrate
- Engagement activities
- Inclusion of remote workers

WORKING ENVIRONMENT

The working environment can be a key factor in attracting talent. For those evaluating on-site roles, the location and transport connections can make or break an opportunity. Having the right tools on hand is also a key consideration for many, with the quality of technology and access to software a critical factor, particularly in the digital and creative sectors.

Support and opportunities for connection for remote workers can be just as important as office facilities for on-site workers. While workplaces that require presence on-site will need to ensure their facilities are attractive to employees and candidates, this can include different types of office space, from quiet spaces to breakout areas, to parking, and access to bike lock-up and showers.

WHAT TO CONSIDER:

- Equipment
- Office location & transport connections
- Variety of office spaces
- The on-site facilities

DEVELOPING YOUR EVP

Now we understand the six core elements of a strong EVP, what are the steps to formulate the offer for your organisation.

1. Assess your existing offer

Use the six elements as your framework and build out what it is your business offers employees in each area.

2. Survey employees

Find out what aspects of your offer are most attractive by running a survey to discover why they stay with the business and what they like most about what the business offers them. You can also use this as an opportunity to identify your weak spots by asking them about their dislikes or frustrations.

3. Conduct a competitor analysis

Pinpoint which companies you are competing with on a talent level and conduct research to understand their offer. This phase is essential in understanding your point of differentiation from the candidate's perspective.

4. Identify your key differentiator

Reflecting on the information you have gathered, you should now be able to identify a key point of difference, something you offer that makes you stand out from other businesses and is attractive to prospective employees.

5. Formalise and communicate

Create a document which outlines your EVP and make sure it resonates with your employees by presenting it to a small test group. Once you have a signed-off document, it's time to launch internally and ensure that your EVP is embedded in both external and internal materials. This may include induction materials, job adverts, content for recruitment events, and corporate channels, including the about us and careers sections of the company website.

6. Define your target roles and flex your EVP to attract talent

Your EVP will have an element of flex. Attracting talent for a specific role may require you to focus on a different part of your offer to attract candidates with specific requirements.

7. Check your EVP resonates on a regular basis

Your EVP requires regular monitoring to ensure it still meets the needs of prospective employees. As the economy changes and evolves, so will your competitor's offer and your prospective employee's expectations.

WHAT'S NEXT?

The Employee Value Proposition has a huge impact across the full talent lifecycle, helping to reduce attrition as well as attracting new talent. An attractive EVP also have the benefit of driving down the costs associated with recruitment and retention. However, this is not an easy tick-box exercise. To be successful, businesses must invest time in the process to develop a truly attractive offer which stacks up against the competition.

THIS PROCESS INCLUDES:

- Assessing the existing offer against the six core elements: purpose & values, career path, flexibility, compensation, culture and community, and the working environment.
- Surveying your employees to identify what they value most
- Conducting a competitor analysis
- Identifying your point of difference
- Formalising and communicating the EVP
- Defining target roles and flexing the EVP to attract the right talent
- Regular monitoring to ensure your EVP remains competitive

The EVP model can be used to get a competitive advantage in the pursuit of talent. But you should also be aware that your competitors are already looking at you, so if you're not doing this work, you're falling behind.

If you need support to guide your organisation through the process of developing or strengthening an existing EVP, [we're here to help](#). Working alongside [Talent Insight Group](#), we deliver the insights and strategic guidance that will help you create a compelling EVP and communicate it effectively.

To find out more book a free, no-obligation call with us to discuss your specific needs by contacting us at hello@whatsnextconsulting.co.uk or using this [calendar link](#) to find a time that works for you.

Sticky strategies
Actionable insights
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hello@whatsnextconsulting.co.uk

whatsnextconsulting.co.uk

