



Employee Value Proposition Revisited

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Abstract :

The Employee Value Proposition represents the perceived overall deal between employer and employee. The employer makes an offer to the employee (or the give) and expects contributions (or the get) from the employee in return. The inducements and contributions consist of mutual obligations and promises. Inducements typically concern things such as career progression, organizational support, fair and transparent performance management and more tangible things such as pay and holiday entitlements. Contributions relate to things such as working hours, being an advocate of the employer within and outside the organization, bringing skills, enthusiasm and entrepreneurship to productive work. Importantly, within the overall deal there are nested deals operating at different levels of the organization, such as the tailored, workable arrangements forged between team leader and team members, these reflect opportunities available for employees to shape their work experience.

Top-performing companies create a sustainable EVP and total rewards strategy based on the needs, demographics and preferences of their workforce. Employee value Proposition refers to the rewards and benefits that an employee receives in return of the performance that employee gives at the workplace in the organization. Manpower Planning: Manpower planning is defined as putting the right number of people ,right kind of people at the right place, right time, doing the right things for which they are suited for the achievement of organizational goals. This paper takes the Review of Concept of Employee Value Proposition and its relationship with Human Resource Management.

Keywords : Employee Value Proposition, Employer Branding, Human Resource Management

Introduction :

The Employee Value Proposition (EVP) refers to the collective array of programs that an organization offers in exchange for employment. It is also referred to as the employment deal. The EVP defines the give and the get between company and worker, encompassing every aspect of the employment experience from the organization's mission, purpose and values, to its jobs,

culture and people, to the full portfolio of its total rewards programs.

Employee Value Proposition (EVP) is the balance of the rewards and benefits that are received by employees in return for their performance at the workplace. Organizations generally develop an EVP to provide a consistent platform for employer brand communication and experience management.

EVP is at the core of all other organizational processes. The characteristics of the EVP need to be reflected in the corporate and employer brands. The EVP, if maintained well is the driver of engagement, it informs recruitment messages and communications and it helps inform strategic HR priorities. It helps support and drive business strategy forward. People are your most important assets. Treat them like they make a difference and they will make a difference.

Organizations can achieve a return on their investment in terms of improved HR and business outcomes by simply starting on the journey toward a fully evolved EVP and total rewards strategy. The starting place is thinking through and articulating your organization's EVP. We are often asked whether organizations should have one EVP that applies to all employees or many EVPs directed to specific employee groups. In general, an organization should have one overarching EVP that applies to all of its operations and employees globally. This companywide EVP can then be tailored to meet the needs and preferences of pivotal workforce segments such as critical-skill employees, high potentials and top performers. In a similar way, geographic or cultural differences can drive variations in the core EVP. An exception to the single-EVP approach might be for a highly diversified holding company where the deal across its entities is simply too different to be captured under one umbrella

Exploring the EVP :

For any organization, the challenge is to find quality people with the skills, knowledge, experience, competencies and values that provide a match for the roles within the organization. The person faces a different challenge: they look around, think about their personal circumstances, compare options, and then choose to take up or stay in positions on the basis of the

best value for them on offer. This, the Employee Value Proposition (EVP) is the balance of reward and benefit, work policies and practices, experienced by an employee in return for their work: it describes why the total work experience is better than at any other organization and accordingly it may be critical in attracting and retaining quality people (Hill & Tande 2006).

Research undertaken by the CLC into the impact of EVP (The Employment Value Proposition – A Key to Attraction and Commitment 2006) is summarized as follows:

Measure	Organisations without a clear EVP	Organisations with a clear EVP	Notes on the impact of a clear EVP
Employee commitment at commencement	9%	38%	4 times the commitment level at Commencement
Employee commitment after one year	3%	31%	commitment level is maintained significantly more strongly
Salary premium required to attract	21%	11%	The on-going cash premium required is halved

Measurable performance may be increased by around 20% (Corporate Leadership Council 2004). Across organizations the percentage of high engagement employees exerting high or maximal effort varied from 3% to 25% (Corporate Leadership Council 2004), so shifting this percentage within an organization could significantly impact its productivity

Retention can be dramatically improved—by up to 87% (Corporate Leadership Council 2004). Typically only 13% of employees are disaffected, but they are four times as likely to leave (Corporate Leadership Council 2004); reducing the proportion of disaffected employees can therefore not only improve productivity but also have a significant impact on retention and consequent recruitment costs. In addition, increasing satisfaction with the total compensation may increase an employee’s retention by 21% (Corporate Leadership Council 2004).

Along with the above mentioned factors aligned Employee Value Proposition also provides the following benefits

- Helps you to attract and retain talent
- Helps you to appeal to different markets and tough to hire talent groups
- Helps you to priorities your HR agenda
- Creates a strong people brand

- Great Employee Commitment
- Helps you to re-engage a disenchanted workforce
- Reduce new hire premiums

Traditional focus of an organization’s marketing efforts has been on its customers and clients, the concept of EVP compels such efforts to be employee-centered. As such, an EVP must be “unique, relevant and compelling” if it is to act as a key driver of talent attraction, engagement and retention. Some scholars (Barrow and Mosley, 2005), have described EVP as the Employer Brand Proposition on which an organization’s employer brand marketing and management activities are based. According to a recent University of Canberra report (2009) on EVP, the greatest benefit of using EVP lies in its ability to help the organization in ‘attracting, retaining and engaging quality people’. For organizations operating in a number of countries the EVP will need to move beyond a one size fits all. A good EVP contains elements that appeal to different groups of employees from different cultures, age groups and functions. The most successful EVPs are derived from combining needs of key segments of the workforce to form a universal brand which is then communicated through the best channel for each segment.

As an EVP affects both internal and external perceptions of a company, human resources and marketing should collaborate to ensure the employee and customer experiences are integrated and aligned. Likewise, human resources and its relocation partner must collaborate to clearly and succinctly explain relocation benefits to ensure the best possible results for both the transferees and the corporation.

According to Stewart Black, a professor of organizational behavior for INSEAD “companies should consider the following values when formalizing their Employee value Propositions”

No	Organization	Percentage
1	High Performing Organizations	42.5
2	Average Performing Organizations	32
3	Organizations Performing below their Peers	28
4	Global Organizations	34
5	US Organizations	25
6	Indian Organizations	3

Building an effective Employee's Value Proposition that can be utilized as a device for employment branding is not a basic procedure. Strategic Employee's Value Proposition help in bringing so as to build the

brand of the employment out the craved necessities of employees inside of the employment gave by the organizations. The study directed by insync recognizes that 33% of employees are willing to advance their organization while 39% are spoilers and 29% are detached (Dream Employer Research, 2011).

Also, according to the Corporate Leadership Council's research a well thought out and executed Employee's Value Proposition can :

- Improve the commitment of new hires by up to 29%.
- Increase the likelihood of employees acting as advocates from an average of 24% to 27%.

Hence, The Employee Value Proposition is a key for Employer branding and Talent attraction in the Organizations

EVP and Employer Brand :

How people feel about their employer brand is critical and extremely important to business success or failure. Leading companies realize its importance in attracting and engaging the people they need to deliver profitable growth. They are also beginning to recognize that creating a positive brand experience for employees requires the same degree of focus, care, and coherence that has long characterized effective management of the customer brand experience. This has led many of the world's leading companies such as GE, HP, IBM, Microsoft, Nokia-Siemens, PepsiCo, P&G, RBS, Shell, and Unilever to pursue active employer brand strategies.

The employer value proposition describes the understanding of the brand from the employer's perspective. The statement formulates a shared basic understanding as an employer and addresses topics such as the working environment, teamwork, management style and development. It provides the basis for aligning communication and offerings in the scope of employer branding.

The employment brand and EVP should win the hearts and minds of the right candidates by connecting on a rational and emotional level. If employee feel satisfied, then it helps the HR Department to support to have better manpower planning. Better EVP and manpower planning helps in creating positive Employer Brand which helps in attracting potential employee that again helps the HR department to provide good and effective EVP. Employer branding is a strategic initiative rather

than done through ad-hoc communication and they suggest making the employer value proposition the message platform. An employer value proposition is the unique selling points as employer. The employer value proposition should therefore be the focal point of the strategic process of branding the company, as the employer value proposition should reflect the unique selling points of the company as employer.

Organization needs a unique employer offer. The EVP gives current and future employees a reason to work for an employer and reflects the company's competitive advantage. Employers that manage their EVP effectively benefit from an increase in their talent pool and employee engagement, as well as a potential decrease in salary costs. By analyzing the factors influencing the employer brand, and by defining a strong and true EVP, the employer will be able to deliver sound and consistent communications during the communication phase and develop an attractive, as well as unique, employer brand.

Employer Brand and Talent Management :

The ability to attract and retain the best talent in the market is key for any organization, but never more so than in highly competitive sectors where niche skill sets are in high demand. Our guide to employer branding examines how organizations can strengthen their relationship with existing and potential employees, and external stakeholders through the effective communication of the brand's values, personality and culture and creating a strong employer brand.

A study was done to understand the organizational attractiveness towards the Employer brand which gives the following information.

No	Employer Brand	Percentage
1	I don't Care about it	3%
2	It is not very important for me	7%
3	No view either way	10%
4	It is the important thing for me	55%
5	That is the most important thing for me	25%

It is observed that, more than 70% people care about employer brand and that is why the employer brand has recently become a significant component of talent management strategy.

As indicated by the research work "Effectiveness of Talent Management in Relation to Employee's Value Proposition Creation and Retention In IT Industries" organizations with sound talent management hones that contained elements like formation of employees value



proposition, retention, employees fulfillment will make a positive branding of the employment inside of the employees in an organization.

The Employee's Value proposition has served as an effective employment branding apparatus when it incorporates work culture, enlistment techniques, introduction, pay and benefits, work-life equalization authority and management, execution management and ultimately development and development.

Summary :

Today's environment has created new challenges for attracting and retaining employees. Now more than ever, people have access to information and resources that can help them find new jobs. After facing cost-cutting measures and layoffs, employees may start looking to leave their current companies, especially if a new opportunity offered the chance to have greater job stability, higher pay wages, and a better work-life balance. To keep the best and the brightest workforce, companies will need to have an attractive Employee Value Proposition for employees.

The concept of the EVP has been around for decades, many organizations have yet to realize the importance of having a strong EVP. This can be a costly mistake, especially with the continuing strong demand for talent across many industries and professions. By providing better and strong EVP, it become easier to attract and appoint the right person at right place at right time, means to say a better manpower planning. Employee's Value proposition has the ability to attract, hire, retain and fulfill employees as a part of employment branding. To set up as a coveted employment brand organization, the organizations need to conceptualize system of The Employee's Value proposition. So making sure that your employer brand is attracting and retaining the right employees who will perform, commit and remain loyal is cost effective to your business. Organizations must aim to be employers where potential employees are attracted to work and existing staff remain loyal and perform for the good of the whole business.

Employee Value Proposition is a fruitful methodology towards Employer branding, employment branding, attracting and retaining the most ideal human talent. It is a wellspring of competitive advantage to a firm. The employer branding process begins with value proposition and proceeds with promoting of the value proposition in both internal and external markets. Employer branding is an effective technique which can

be utilized by organizations to succeed and develop in this competitive environment.

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