

Rebuilding Reward

EVP game-changing strategies that are reshaping employee expectations of work



Personal
Group

SOMNIUM
RECRUITMENT



Employee Value Proposition - Strategies for shaping employee expectations and engagement in 2024

By Andrew Walker

Don't look now but the younger generation is arriving. They're hungry, tech-savvy and they care. They care about their roles, about how their company behaves, about the environment and about how people are treated. They care about their salaries and career progression too, so those things are still very much in the forefront, along with everyone else's interests and priorities.

Our key HR pillars - recruitment, retention, motivation, performance and productivity - do not really change from one year to the next, but what do they mean and require in 2024 and beyond?

After a tough few years, now is the time to sit down, breathe a little and take stock of the experiences and learnings of Covid, the post-pandemic period and the cost-of-living crisis, to future-proof for the challenges ahead.

Career 2.0 - A Series of Experiences

There is a growing expectation that the way we work should better mirror the way we live. If Amazon and Netflix can give us what we want, when we want it, how can jobs and careers try to do the same to improve retention?

Moving forward, is there an argument for a 'career' to be presented not as a mundane linear treadmill of earned progression steps, but as a flexible series of work-life experiences? This may sound radical but for some businesses it may only require a revamp of current PPD programmes and staff movement models.

After all, not every worker immediately lands in the right role anyway. When you join an organisation there are so

many things you don't know, from what the company is like and how the role will pan out to the people you are with and your chances of progression. If all this could be pre-empted by a more modular, circular take on things, people may never feel compelled to leave. Instead of another new start across town they might move down the corridor or across the depot.

Benefits for all

The same logic can be applied to more personalised benefits. Sophisticated benefits platforms and packages may be out of reach for a lot of businesses, but the challenge is still to offer a range of benefits - however big or small - which inevitably means different things to different people.

Going purely on age, for example, the typical employee in their 20s and early 30s may not yet be interested in pensions but may engage with a cycle to work scheme or flexi holidays. From mid-30s to 50, priorities tend to shift towards security and protection as home ownership and children come into the picture. And when people look to retire, pensions, financial planning services and health benefits take on greater importance.

In the same way that Amazon and Netflix curate the user experience for each account holder, our suite of benefits needs to offer everything to everyone all the time, but communicate and present each product differently to each distinct segments of the workforce. This is how we maximise engagement.

Segmentation 2.0

The secret to humanising the workplace and individualising reward lies in a more sophisticated approach to segmentation. Currently we use surveys, reviews, onboarding sessions and exit interviews. We use received wisdom to model by age, career stage, marital or familial status, income, aspiration or a combination of these factors. But how can we go further? With so much access to our employees, how can it be that Amazon and Netflix still know our people better than we do?

We need to ask the right questions with a view to improving retention. Which areas have you worked in and enjoyed the most? Why are you currently put off by x and y? Where do you aspire to be and what needs to improve to get there? In the same way that retailers collect information to tailor and curate the consumer experience, we can be smarter.

The same logic applies to benefits. By building more granular profiles of workers' personalities, attitudes to risk and professional ambition, it should be possible to bracket a 59-year-old man and a 25-year-old woman together in terms of their attitudes to pay and benefits, rather than assuming they could never want the same thing. The danger of pigeon-holing people will never fully go away but if we can demonstrate choice and offer products that are relevant, engagement and retention can only improve.

5 Key Focal Points for 2024

1. Strategic imperatives – Take the time to consider the make-up of your workforce, your pay structures and your benefits packages. Are they fit for purpose? Do not be afraid to ask tough questions.

2. Think Gen Z – Consider whether it is possible to redefine what ‘career’ means within your business.

3. Define Hybrid – Build a clear picture of your hybrid and remote working models – current and desired – and communicate with transparency.

4. Know your workers – Do all you can to segment your workforce in a way that works for you and them both now and in the future.

5. Embrace Tech – Whether for business analysis, pay benchmarking or benefits engagement, consider how investment in tech might help you. AI is well on the way and we all need to keep an open mind.

HR is about people - attracting them, motivating them and keeping them. Like chapters in a book, let's make the workplace a page-turner our people find hard to put down.



Unravelling the Employee Value Proposition: Key Insights and Strategies for Organisational Success

By Justine Woolf

The Employee Value Proposition, commonly referred to as EVP, has been a topic of much discussion lately. However, what I've noticed is that while many people talk about it, some struggle to grasp its true meaning and significance.

Essentially, EVP encapsulates the unique employee experience within your organisation, built upon the pillars of total reward, career growth, culture and values, purpose, and ways of working. It represents

the amalgamation of these elements with your organisation's unique selling point, setting you apart from competitors and defining your uniqueness. It permeates through your company's policies and language, comprising both tangible and intangible benefits that elucidate why someone would choose to work for you over another organisation.

According to [KPMG](#), only 18% of organisations distinguish their EVP from their talent competitors. However, employee experience is a crucial business imperative. Research from Gartner indicates that those who deliver on their EVP witness a 30% improvement in loyalty and commitment. With platforms like Glassdoor enabling employees to share their work experiences, failure to act on EVP risks losing out on top talent.

Are you getting feedback?

When contemplating your EVP, it's essential to consider various inputs:

Soliciting feedback from current, former, and prospective employees to discern what attracts or retains them and sets your organisation apart. What is the experience like for new hires and departures?

Brand alignment

Assessing alignment with your external brand positioning in the market and ensuring consistency between your messaging to customers and the internal delivery of the employee experience.

Getting a more personalised EVP

Identifying demographic segments within your organisation that necessitate differentiation. For instance, some organisations tailor their EVP based on employee roles, such as a sporting client segmenting their EVP based on whether the role involves ball-centric activities. Are there diverse populations requiring distinct messaging and approaches? One size may not fit all. How does personalisation and autonomy over work align with your EVP?

Once you have a clearer understanding of your uniqueness, you can evaluate your reward, benefits, and work practices to ensure alignment with your EVP. For example, a well-known client with a quirky consumer brand reflects their brand identity in their total reward proposition, both in its composition and how it's communicated to staff. However, many organisations struggle to connect these dots. For instance, a client specialising in supporting a specific demographic offers comprehensive reward and benefits but lacks coherence in presenting their EVP. Simplistic reward structures lead to employee confusion, despite having unique benefits tailored to their customer demographic. Consequently, their EVP isn't distinct, hindering their competitiveness in the market.

As organisations grapple with skill shortages, clarifying and defining EVP becomes pivotal in winning the talent war. Your EVP is crucial as it dictates why employees will join, stay, and thrive in your organisation. If you wish to explore how we can assist you further, please contact us [here](#).

For more information contact:

Andrew Walker

Andrew.Walker@personalgroup.com

Justine Wolf

Justine.Wolf@innecto.com

Gemma Downing

Gemma@somrec.co.uk

Personal Management Solutions Ltd

John Ormond House,
899 Silbury Boulevard,
Central Milton Keynes,
MK9 3XL

01908 605 000

www.personalgroup.com



Personal Management Solutions Ltd, registered office: John Ormond House, 899 Silbury Boulevard, Milton Keynes, Buckinghamshire MK9 3XL, Incorporated in England and Wales, Company registration number 04232995. Personal Group is a trading style of Personal Group Holdings Plc, registered office address: John Ormond House, 899 Silbury Boulevard, Milton Keynes, MK9 3XL. Registered in England and Wales, company registration number 3194991.

Personal Management Solutions Ltd (Firm Reference Number: 847649) is an Appointed Representative of Personal Assurance Services Ltd which is authorised and regulated by the Financial Conduct Authority (Firm Reference Number: 303200).



HM Government
G-Cloud
Supplier

