

# What is the Employee Value Proposition and Why Do HR Leaders Need it More Than Ever?

WHITEPAPER



# Overview

The past few years have precipitated a great deal of change across the working world. Not the least significant of which has been the relationship between employees and their workplace. Global disruption as a result of the pandemic saw people cut off from the traditional structure of their usual working environment and in some cases, people found themselves furloughed and faced with unprecedented amounts of downtime and uncertainty.

This prolonged workforce disruption has offered workers an unparalleled opportunity to assess their circumstances and their workplaces. For many, this has precipitated a shift in their priorities, with many people now holding out for greater wages or even assessing potential employers based on a variety of factors, such as diversity and inclusion policies, or the ability to work from home. These emerging cultural shifts within the workforce have already had an immediate impact on HR teams, with [the Great Resignation](#) finding more and more employees leaving existing positions and looking to reskill, retrain and move on.

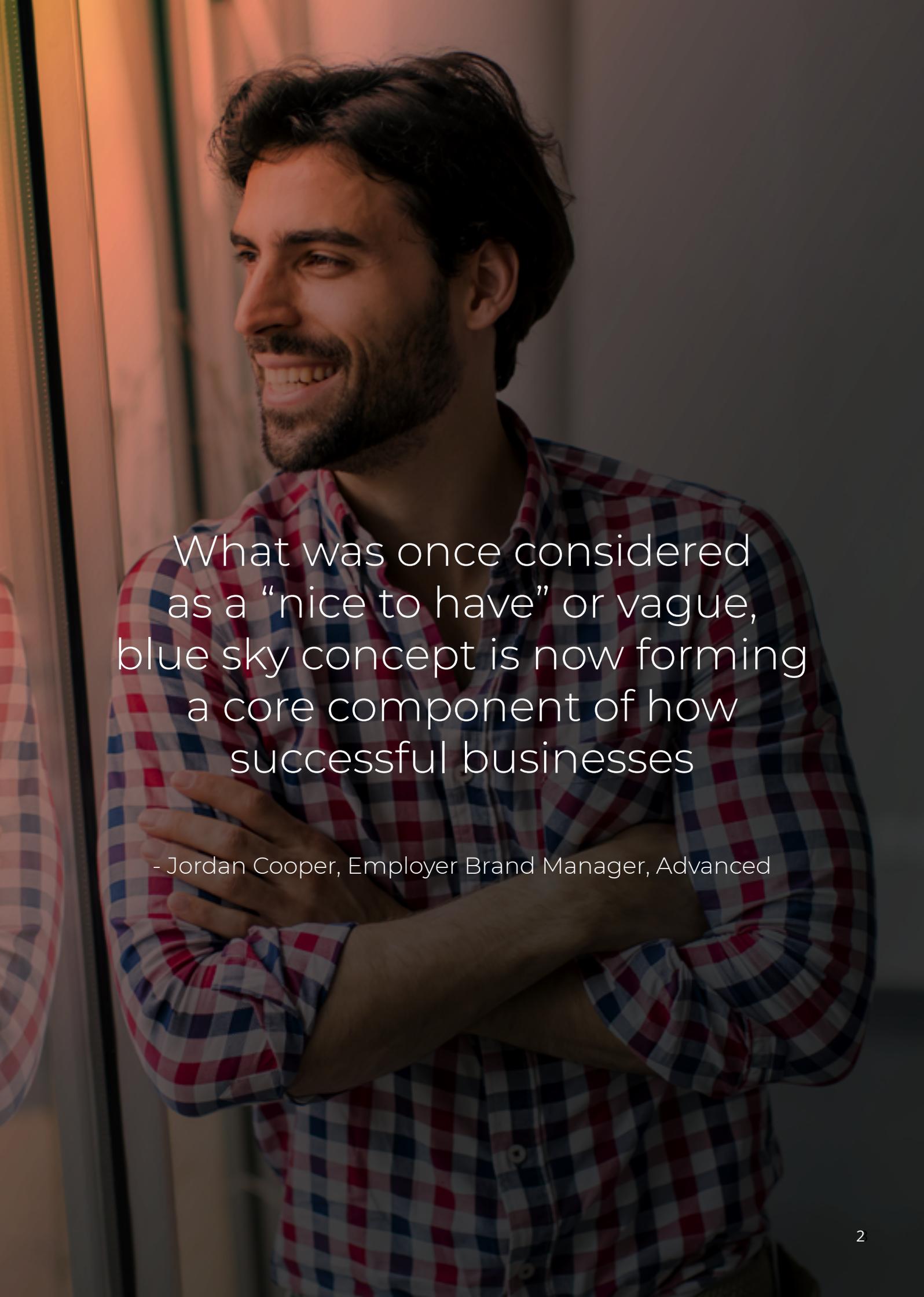
Subsequently the EVP or Employee Value Proposition (sometimes known as the Employer Value Proposition) must come as a priority in any future strategic planning. The working world has undergone a fundamental shift in recent years and employee engagement, as well as the ways in which employees perceive and judge their places of work are now crucial elements which cannot afford to be overlooked.

What was once considered as a “nice to have” or vague, blue sky concept is now forming a core component of how successful businesses not only think about how they distinguish themselves above their competitors when it comes to securing new talent, but also how they are able to retain the services of their most skilled and key people.

In this guide we will look at the emergence of the EVP and Employer Branding as a dominant force in modern working culture. Through the lens of the past few years, we will see how external events both globally and internationally have forced an evolution within the workforce and how this has led to issues of engagement and wellbeing to be thrust into the forefront of strategic business planning.

Most crucially we will explore how the mass disruption of the pandemic era afforded employees the opportunity to view their workplaces in a whole new light and how the cultural shift within the working world has empowered workers with a greater degree of leverage in judging their workforces.

In the modern, fiercely competitive recruitment space, businesses who fail to stay ahead of these changes may find themselves faced with long term challenges in retaining and attracting key talent. We want to look at the role the EVP can play in strengthening your recruitment strategies.

A man with dark hair and a beard, wearing a red, white, and blue plaid shirt, is smiling and looking out a window. The scene is lit with warm, golden light from the window, creating a soft glow on his face and the background. His arms are crossed, and he appears to be in a relaxed, thoughtful state.

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- Jordan Cooper, Employer Brand Manager, Advanced

## What is the Employee Value Proposition?

The Employee Value Proposition, or EVP, describes the various metrics which contribute to your brand as an employer. A well-defined EVP highlights your key strengths as a place to work and defines the specific qualities which distinguish you from your competitors when it comes to recruitment and keeping your best people. When looking at bringing on board new talent into your organisation, the EVP is designed to sell your business to prospective new hires and tell them specifically why they should choose to work for you and what they seek to gain from it.

A strong, well embedded EVP also goes a long way towards strengthening levels of employee retention and engagement as values which are championed

for the recruitment cycle inevitably find a lot of crossover when it comes to retaining the skillsets of key employees. [Research by The HR Director](#) has noted the increasing trend for people to expect their employers to act as more inspirational and ethical forces within their respective markets, particularly when it comes to their engagement with diversity and inclusion initiatives as well as broader issues such as environmental concerns. An effective EVP offers a robust framework wherein companies are able to demonstrate their commitment to these issues and how their brand aligns culturally with these shifts.



# The importance of the EVP in securing new talent.

As mentioned previously, a strong and well embedded EVP is a key asset in helping organisations present themselves as more empathetic and attractive places to work. The global disruption of recent years has resulted in a job market which is more fiercely competitive than ever, with [Mckinsey's Future of work after COVID-19 report](#), predicting an acceleration in the number of people looking to switch roles with an increase of up to 25% compared with pre-pandemic levels.

Initiatives such as the Furlough schemes which saw many workers faced with extended periods of downtime from work contributed heavily towards people looking to reskill and retrain, especially in the face of ongoing uncertainty in specific industries such as hospitality and leisure.

This has meant a post-pandemic job market which is set to be more fiercely competitive than ever before: [Research by Gartner](#) has found that only 29% of business leaders feel that they have the talent in place they need to meet operational needs. Businesses are operating in a much narrower, scrappier space when it comes to securing the key talent they need to drive forward their future business strategy. For many organisations, the key to success in this new world will largely be linked with how they are able to distinguish themselves from their competitors- this is where a strong EVP comes in.

The EVP is a way for organisations to take stock of what defines them as an entity, what their

strengths are and how they can push these to the fore and most importantly- in what areas they may be falling behind and how to course correct. When recruiting, think of your EVP as a billboard to the wider market, demonstrating to everybody why you are the ideal place to work for. Your EVP isn't intended to sell the merits of a specific role; rather, it's your opportunity to sing your praises about why your organisation is a positive and influential place to work.

The EVP defines your company within the cultural space of today's working world. This means demonstrating how your brand aligns with modern trends and attitudes and how effectively you can demonstrate your commitment to prevalent issues. In recent years for example, we've seen a [big spotlight being thrown on the issue of racial diversity](#) in the workplace, meaning that when looking placing themselves at the forefront of today's job market, organisations need to consider their commitment to inclusion initiatives and how attractive a prospect they are to applicants of all backgrounds and ethnicities.

A strong EVP helps demonstrate to candidates that your organisation is a brand with a strong ethos and cultural identity. Naturally, we all want to work within an environment where we feel aligned with the overall goals of the organisation and a well embedded EVP allows prospective new hires to gauge whether your business will be a good fit for them and whether or not your values align with their own.

# The importance of the EVP in retaining talent.

As important as it is to be positioning your organisation strongly within the job market, it's also crucial that organisations look towards their existing people and to consider how strengthening their EVP can help them retain the skills and services of key talent.

[Research by Gartner](#) suggests that only 31% of HR leaders feel that their employees are satisfied with their organisation's existing EVP. In the headlong rush for businesses to secure new talent and remain relevant within the modern job market, there is a very real concern that they may lose sight of what is important to their existing employees and the role the EVP can play in strengthening their people's ties to the organisation.

Fundamentally, the EVP is a measure of an organisation's culture and overall ethos. The way in which your employees are aligned and engaged with your overall goals and vision is an effective indicator of a strong EVP. Those employees who feel a significant disconnect between themselves and the brands they work for are far more likely to be disengaged, and eventually seek employment elsewhere.

Worryingly for businesses, [levels of employee engagement have largely flatlined since 2016](#). Even pre-pandemic, it is clear that there existed a significant disconnect between people and their places of work, even in spite of increased spending from organisations to help boost their Employer branding. Given the upheaval of the past few years, it has to be acknowledged that these issues will have been compounded and without specific focus on the issue, businesses could be facing a mass exodus of their people.

In many instances, the process of redefining and strengthening your EVP can lead to significant changes in your company culture. This can be a powerfully positive tool, especially if it comes about as a result of internal discussion and feedback from employees. Examining your EVP and the way in which you are viewed as a brand and cultural entity offers you a unique opportunity to reshape your message and ethos into one which has been influenced and guided by your people. If your employees feel they have made a direct contribution towards transforming their company- even in some small way, they are far more likely to take ownership of that message moving forwards and more importantly, you have helped create an environment wherein your people feel heard.

It's also important to consider how the engagement and motivation of your existing employees can help support your organisation's goals in securing new talent. Talent retention doesn't have to exist on an island separate from the acquisition cycle- in fact, one of the key strengths of a well embedded and well-defined EVP is that it can help create a working culture and environment which is immediately apparent and attractive to prospective new hires. One of the most important elements of the job search after all is assessing a workplace and deciding if they are the right fit for you. A workforce which is already aligned, motivated and content with their organisation's brand and ethos can work wonders in helping to communicate your business as an attractive, forward thinking place to work.

A photograph of two women in an office environment. The woman on the right has long blonde hair, wears glasses, and a dark patterned top, smiling warmly. The woman on the left is partially visible, wearing glasses and a light-colored top, looking towards the first woman. The background shows office equipment like a laptop and a printer on a desk.

Only **31%** of HR leaders feel that their employees are satisfied with their organisation's existing EVP

# The benefits of a strong EVP for business leaders.

From improving individual levels of employee motivation and engagement to boosting overall levels of output and transforming an organisation's perception as a workplace, there is a granular nature to the benefits of redefining your EVP which makes it a worthwhile commitment for business leaders and employees alike. So what are some of the tangible benefits to business leaders and the exec suite?

## **Enhanced engagement**

With business leaders undoubtedly focused on driving forward greater levels of productivity and profitability, ensuring that their people remain engaged with ongoing strategy and the core message of their organisation, will be a key to success. Strengthening your EVP allows you to bring your people more closely into the fold, ensuring higher levels of engagement and motivation.

By bringing your people into the discussion when you define your EVP, you offer a unique opportunity for your employees to take ownership of the identity of their workplace, rather than being passive participants. This means that your people are far more ideally placed to help maintain and promote your cultural ethos moving forwards. EVP doesn't have to be a top-down process if you feel comfortable enough to let your people help define it.

## **Recruitment**

Today's job market is an extremely scrappy and competitive space with organisations desperately vying for what seems to be a relatively narrow crop of key talent. The key to success may very well lie in how organisations are able to distinguish themselves from their competitors.



A well defined EVP allows businesses to market themselves as a cultural entity and to effectively communicate their ethos and commitments to issues such as environmental concerns or a greater desire for heightened diversity and inclusion initiatives.

By putting their best foot forward and placing an emphasis on their brand as a cultural entity, organisations can help find a unique angle with which to pitch themselves as prospective employers to potential new hires, all whilst distinguishing themselves from their competitors.

Having a clear understanding of your strengths as an employer can also go a long way towards reducing the cost of recruitment, not to mention cutting the time of the overall hiring and onboarding cycle.

### **Transforming your brand**

Your EVP is a reflection of your overall organisational culture and ethos. Whilst the benefits of this with regards to the recruitment cycle are obvious, where many organisations may be losing out, is the role the EVP has to play within your marketing function.

[Research by Forbes has found that 88% of consumers want brands to help them make more ethical choices.](#) This suggests an emerging trend for customers responding to organisations who are aligned with these goals and able to facilitate these requirements. Most prominently, we've seen this demonstrated in the form of environmental concerns, with many brands pivoting towards greener initiatives. In recent years however, we've also seen an upswing in diversity awareness, with

many consumers actively seeking [minority owned businesses and brands](#). Consumers will respond strongly to brands who are able to reflect their own key values and demonstrate a commitment to the self-same issues they place as a priority.

Your EVP is the perfect opportunity for you to market your organisation as an influential and forward thinking brand. By allowing your ethos and cultural identity to come to the fore, you are able to respond to emerging trends and priorities from consumers.

### **Remain agile and innovative**

The benefit of a well defined EVP is not only how it strengthens the perception of your brand in the wider market, but also how it offers you the opportunity to fundamentally rework the way in which you make strategic decisions.

The widespread disruption of recent years has taught businesses a lot about the importance of remaining agile to potential change or threats. Moving forward, organisations across all sectors will want to ensure they retain the ability to make efficient and effective business decisions even under pressure.

A strong EVP gives organisations a sense of self confidence, as well as the granular understanding of their business and its makeup, while they need to be able to drive forward well-informed decisions. Furthermore, any policies of innovation or transformation can more effectively be undertaken when you are already aware to a degree of the potential impact on your people and the wider organisation.

# The benefits of a strong EVP for your people.

## **Shared purpose**

Employees feeling disconnected from their place of work can be a killer for sustained motivation and engagement. A strong EVP can help bring your people together through a shared ethos. Employees who feel as though they are working towards a common goal are more likely to remain engaged with their work as a whole, as well as being more mindful of challenges facing their colleagues.

[Research by Gartner](#) found that a focus on goals and key messaging can go a long way towards strengthening employee ties. Gartner place an emphasis on being clear and specific and tailoring your messaging so it is specific to your company and your brand, rather than vague corporate speak which tends to disengage people.

## **Growth and development**

A cornerstone of a strong EVP is that it allows your people the ability to understand their trajectory and the scope of their journey within the organisation. A strong employee experience is a key component of a well defined EVP and one which can contribute greatly towards helping your people remain engaged and motivated.

One of the most effective ways of transforming your employee experience is by placing a focus on employee learning and development. Mobility within an organisation is important not just from an engagement standpoint but also when looking at the ever looming concerns around employee turnover.

A clear and well defined policy of training and development can be the factor which determines whether employees choose to stay with an organisation or move elsewhere. It will be of vital importance for businesses to foster this desire for upskilling if they wish to retain the services of their most talented people. Organisations who fall behind in this respect run the risk of losing out to competitors both in terms of employee retention as well as sourcing new talent.

## **Empowering your people through trust**

The past few years have seen the traditional working setup having undergone a great deal of change. The most significant aspect of these shifts has been the widespread adoption of remote or hybrid working models. For businesses, this necessitated a move away from older biases around working from home and its implications around engagement and output.

One of the defining characteristics of a post-pandemic EVP will be a demonstration of organisations willing to fold these shifts into their long term working structure and not seek to put the genie back in the bottle when it comes to flexible working. The accelerated flexibility and autonomy offered by the hybrid working structure has been proven to have a positive impact on employee motivation and engagement and employees are increasingly likely to seek out organisations who demonstrate flexibility as part of their cultural ethos.

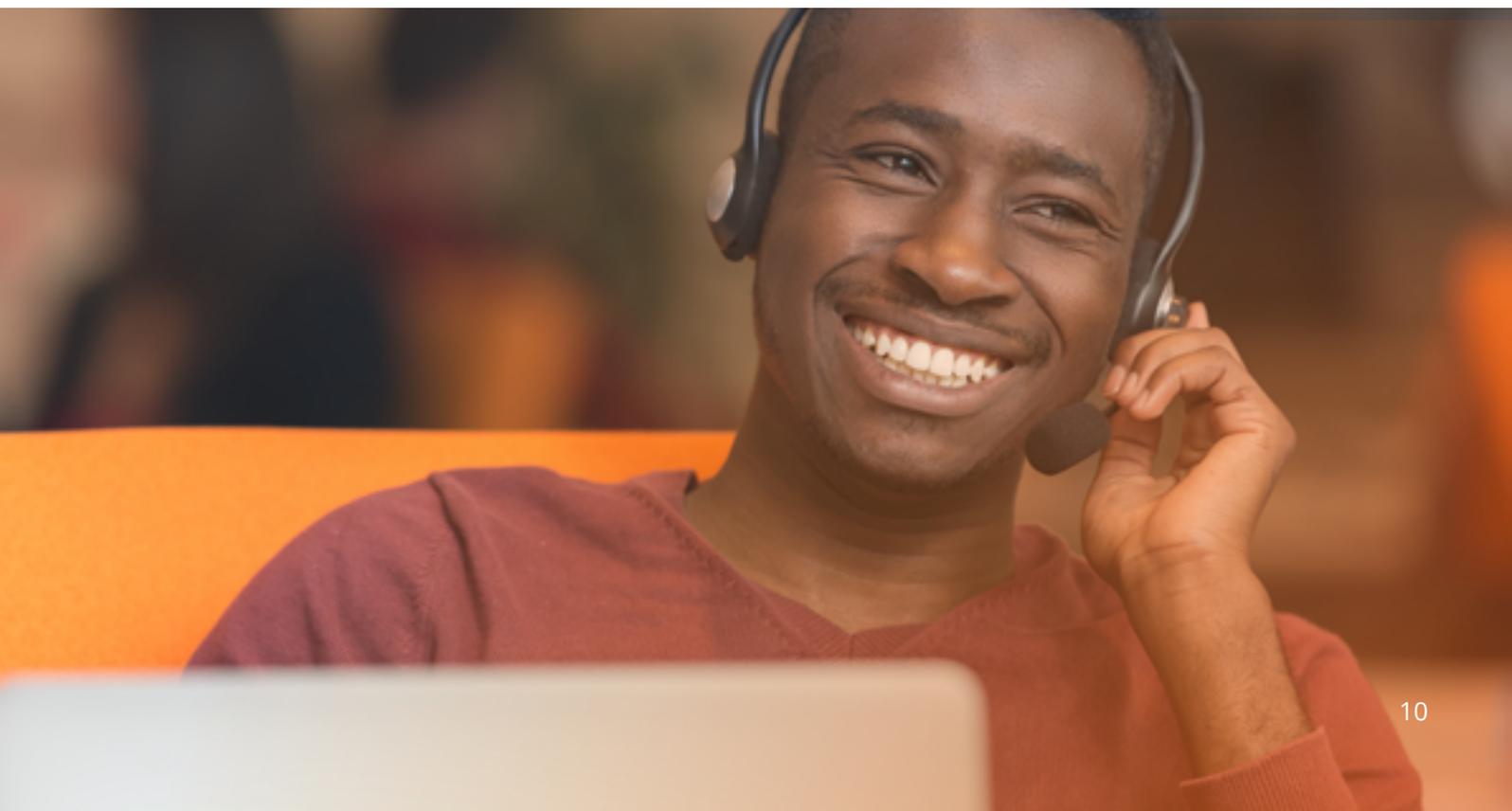
## Improved wellbeing

As a reflection of your organisational culture, your EVP is closely linked with wellbeing and the overall happiness of your people within the organisation. With the modern workplace having become increasingly more widespread as a result of the pandemic, wellbeing is no longer a nice to have gimmick for businesses and instead, should be treated as a cornerstone of their employee experience.

[Research by Willis Towers Watson](#) found that 75% of employees are more likely to stay with their employer due to the benefits package, with another study finding that 69% of those surveyed would choose one job over another on the basis of benefits offered. Clearly, comprehensive benefits packages are foremost in people's minds when choosing which organisation is the right fit for them and your

EVP offers you the ideal framework by which you can communicate benefits packages and reward schemes and present your organisation as a fulfilling place to work. The kind of benefits you may want or need to offer may well be different to the benefits that businesses from other sectors will need to provide to their employees - it all depends on the types of employees you employ.

By placing reward schemes and wellbeing initiatives at the forefront of your EVP, you communicate to existing employees and the wider market alike your commitment to looking after their welfare, as well as rewarding your people for a job well done. Many prospective new hires will want to see organisations demonstrating a continued commitment to wellbeing, rather than it being a flash in the pan trend- that's where your EVP comes in.



# Who is responsible for defining the EVP?

As a measure of an organisation's values, ethics and cultural ethos, it may seem a given that the Employee Value Proposition should be a concept which is considered holistic in nature and takes into account all levels of an organisation's structure. Being closely entwined with issues of employee engagement and wellbeing, not to mention playing a huge part in the recruitment cycle, it stands to reason that HR teams have an influential role to play in defining an organisation's Employer Branding. With that being said however, what other aspects of the business can we expect to have their say when strengthening the EVP of their organisations?

## **Human Resources**

As perhaps the most obvious flag bearers of the EVP, it is worth mentioning HR teams first and foremost. Their roles are naturally entwined with the hiring and retention of staff, not to mention being charged with keeping a weather eye on the engagement and wellbeing of their people. It's for these reasons that HR teams are traditionally seen as the champions and innovators behind EVP transformation projects within their organisations.

Given the broad scope of their roles, it is a sensible idea to have HR professionals heading up any projects which involve defining the EVP as the verticality of their role allows them to engage with multiple areas of the business and gain the best overview.

Furthermore, the systems and technologies utilised by HR teams already offer the perfect opportunity to gather key metrics and data points to help understand the employee experience within your

organisation either by engaging with current employees or from information gleaned by exit interviews and other methods. The most successful programmes of transformation of the EVP can only happen with a clear understanding of the strengths and weaknesses of your organisation- your people teams are the key to unlocking that crucial information.

## **Exec suite**

The EVP is a hallmark demonstration of your organisation's ethos, values and commitment to your people and the wider world. A well defined EVP can greatly influence how you are viewed by your employees, prospective new talent and your consumer base. It is paramount therefore, that the exec level talent within an organisation play their part and set out clear expectations of what they're looking to achieve through their EVP.

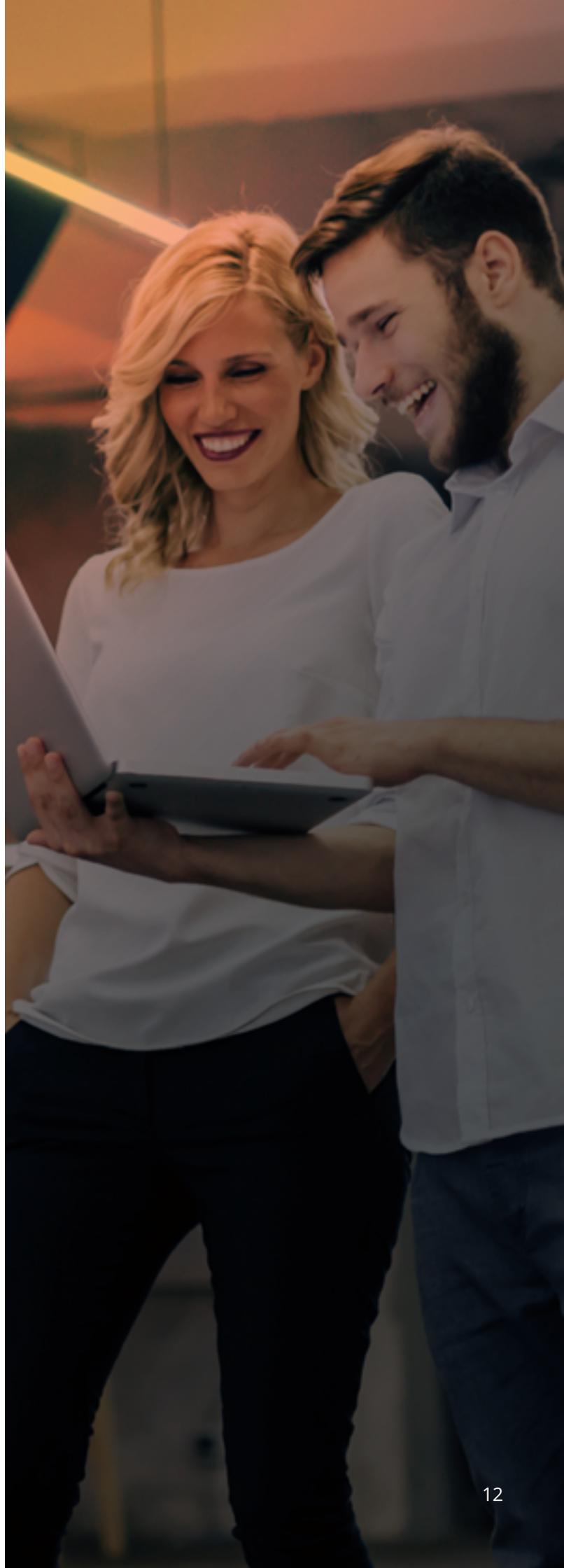
Projects of EVP transformation will likely require a great demand on resources both in terms of time and financial commitments. It is important therefore that business leaders and financial directors are in agreement and working in lockstep to ensure that their organisation has access to the tools it needs to help define and embed their EVP.

As a cultural entity, the make or break point of any EVP will be the dedication of the exec suite in communicating the significance of it, as well as adhering to and championing company culture. Attitudes and trends tend to trickle down from the highest levels, meaning it is important that the exec suite act as positive figureheads of your EVP, and live and breathe your values.

## **Employees**

The EVP is built for your people, therefore, surely it makes sense that they are brought into the fold when it comes to defining your Employer Branding within your organisation? Businesses which overlook their people when engaging in transformation projects are likely to find themselves hamstrung, particularly when looking to embed stronger policies of employee engagement and wellbeing.

Encourage senior management and your people teams to take in the sentiment of your people, offering forums and frameworks for feedback and clearly communicating the intent behind any projects. The strongest EVPs will inevitably be those who are built upon a foundation of trust and communication and so it is vitally important that your people have a say in its development.



## What's next?

It's clear that the EVP is an influential force in modern organisations and one which sees its importance threaded through all levels of a business. With the priorities of so many organisations fixed upon the issue of talent acquisition and retention, it's inevitable that business leaders will want to gain a clearer understanding of their cultural ethos and values, as well as how their brand is perceived in the wider world.

Whilst a worthy thing to gain a measure of, projects of EVP transformation and definition can be time consuming and costly affairs and without a clear understanding of your organisation and an honest overview of your strengths and weaknesses as a brand, many of these projects can fail to bear fruit. Remember, you won't be starting from scratch in your EVP - you will already most likely have the bare bones of an EVP - through the initiatives and what is important to your employee community.

Fortunately, your HR systems are an invaluable asset in helping you define and strengthen your EVP. The frameworks you use to measure employee wellbeing, productivity and engagement, not to mention gathering metrics around recruitment and retention, can all be leveraged to provide you with an effective and insightful foundation to begin transforming your EVP and what it means for your organisation.

At Advanced, we believe in the power of technology to help you achieve more. We understand that the future success of your business will be largely entwined with your EVP and your perception as a

brand, which is why [our range of Human Capital Management solutions](#) are designed specifically to give you the oversight you need to not understand the challenges facing your people but to also understand what may be holding you back from a recruitment standpoint and to help you craft policy and procedure to overcome any challenges.

We understand that defining and strengthening your EVP may seem like a daunting prospect but we also truly believe that it is a worthwhile undertaking that can help you gain a greater understanding of your business and your strengths and weaknesses. We believe in walking the walk too, which is why we have focused on our own EVP and undertaken the journey of getting to the core of what that means to us at Advanced. We'd like to take those lessons we learned from that experience and help you with your own EVP transformation.

We believe in the power of the EVP to help transform the perception of your business and to position your organisation as an influential and inspirational place to work. If you'd like to find out more about how the challenges and benefits of redefining your EVP, our latest guide takes a practical look at Advanced's journey through redefining our own employee brand.



Strengthening your EVP may seem like a daunting prospect but we also truly believe that it is a worthwhile undertaking

- Nick Gallimore, Director of Talent, Transformation and Insight, Advanced



## Discover more

If you'd like to learn more about the EVP, what it means to your business or how we can help you strengthen and define it within your organisation, come and explore our suite of HCM solutions and get in touch today.



(+353) 1 463 70 00



oneadvanced.com



hello@oneadvanced.com