

EMPLOYMENT value proposition

An Employment Value Proposition (EVP) is made up of benefits, rewards and opportunities employees experience and receive while being a part of an organization. It is what attracts an employee to the organization and what makes them commit to the organization. The EVP includes both intrinsic and extrinsic rewards. Essentially, it is a measurement of the balance between what an employee receives from their employer in return for their performance on the job. In other words, it is the "get" versus the "give". More simply put, it's "the deal." If employees perceive the get is equal to or exceeds the give, then the organization has a positive EVP.

Every EVP is unique as it relates to the organization's mission, values, leadership, compensation and benefits philosophy, culture and other variables. A few characteristics of a competitive Employee Value Proposition:

- A competitive EVP attracts and retains the best talent. It is key to both the attraction of candidates and the commitment of employees.
- A competitive EVP is a living entity versus mere rhetoric.
- A competitive EVP is similar to a positive customer service experience. If you have a positive experience, you return to that company expecting a satisfactory experience in the future. The same holds true in employment - why a talented employee may choose to remain in state government versus being lured away by another organization.

The key to an effective EVP, as it is in determining appropriate rewards and recognition, is to determine what drives your employees, what makes them commit. Though there are many different drivers among individuals, there are also many similarities.

Research by the Corporate Leadership Council reveals that there are seven elements that comprise the core EVP:

- Compensation
- Organizational stability
- Development opportunities
- Future career opportunities
- Culture of respect
- Manager quality
- Collegial work environment

These core elements affect both employee attraction and employee commitment, also known as employee engagement. According to the Corporate Leadership Council (CLC), commitment has both an emotional component, the extent to which employees value, enjoy, and believe in their organizations, as well as a rational component - the extent to which they believe it is in their best interests to stay with the organization.

Commitment drives both performance and retention. Specifically, improving employee commitment leads to greater discretionary effort. Every 10% improvement in commitment can increase an employee's effort levels by 6%, which in turn can improve performance by 2 percentage points.

CLC also finds that improving employee commitment will support retention, reducing the probability of the employee leaving the organization by as much as 87%. Every 10% improvement in commitment can decrease an employee's probability of departure by 9%.

Many of the core elements such as development opportunities, culture of respect, manager quality and collegial work environment are closely related to recognition. Capitalizing on these elements to recognize and reward your employees will increase employee engagement. Find out what drives the commitment of your employees and reward them in appropriate and meaningful ways. Their commitment to your organization will soar even higher.